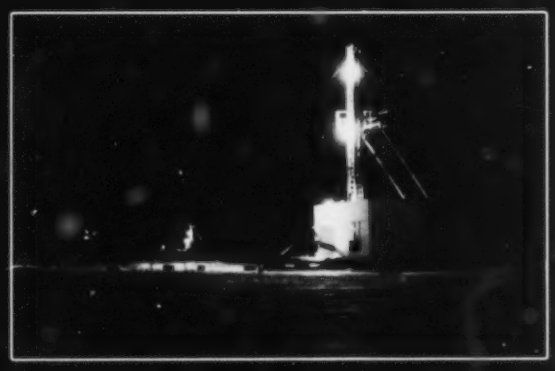

Ontario
Smart Growth

Shape the Future

Northeastern Ontario Smart Growth panel

Final Report

Spring 2003

103-05537/

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Ontario
Smart Growth
NORTHEASTERN ONTARIO

May 27, 2003

Honourable David Young
Minister of Municipal Affairs and Housing
Province of Ontario
777 Bay Street, 17th Floor
Toronto, ON M5G 2E5

Dear Minister Young,

On behalf of the northeastern Ontario Smart Growth panel, it is my pleasure to present to you our Final Report. This document follows on the interim Letter of Advice which we submitted to you in March and incorporates insights and information we received through public consultations conducted last month.

Since the panel was created in April 2002, we have reviewed and discussed the many opportunities and challenges facing northeastern Ontario. During the course of our discussions, we received presentations from a diverse range of organizations, ministries and technical experts on issues of importance to the northeast. Collectively, we have identified a number of potential remedies that we believe merit serious consideration.

Recently, we conducted focus group and public consultation sessions in North Bay, Sudbury, Sault Ste Marie and Timmins. The purpose of the sessions was to share the ideas found in our interim Letter of Advice with community leaders and members of the public to determine if we were on the right track.

I am pleased to say that the response to our ideas was overwhelmingly positive, and we now feel confident we have identified the issues of greatest importance in our zone.

We also received a strong message from participants on their sense of urgency to get to work on the recommendations. The panel shares this conviction and we would like to communicate our own hope that the Smart Growth initiative maintains its momentum in northeastern Ontario. We were extremely encouraged by Premier Eves' recent announcement on a tax incentive zone for northern Ontario and see this as an important step toward achieving quality growth in this area.

In closing, I want to relay to you how much my panel colleagues and I have enjoyed being involved in this process. As a group, we ask that you receive our recommendations in the spirit in which they are offered - as a good start on an important process that must continue for many years to come.

The delivery of this Final Report marks an important step in developing a Smart Growth strategy for northeastern Ontario and we look forward to the government's response.

Yours sincerely,

Royal Poulin

Northeastern Ontario Smart Growth Panel, Chair

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Ontario Northland Transportation Commission chair Royal Poulin (shown here with other panel members) is leading the northeastern Ontario Smart Growth panel. From left to right: Ted Day, Ken Graham, Tim West, George Farkouh, Scott McDonald, Royal Poulin, Jamie Lim, Ivan Filion, Betty McGie and Martin Michaud.

Panel members:

Royal Poulin, chair, Ontario Northland Transportation Commission (panel chair)

Ivan Filion, executive director, research, technology and advanced learning, Cambrian College, Sudbury

Gord Adams, chair, District Municipality of Muskoka

Jean-Claude (J.C.) Caron, mayor, Town of Kapuskasing

Ted Day, reeve, Township of Nipissing

George Farkouh, mayor, City of Elliot Lake

Jim Gordon, mayor, City of Greater Sudbury

Ken Graham, mayor, Town of Iroquois Falls

Maureen Kershaw, NE representative, Partnership for Public Lands

Jamie Lim (Mrs.), mayor, City of Timmins

Scott McDonald, general manager of Ontario operations, Inco Ltd.

Betty McGie, president, Northern Ontario Tourist Outfitters' Association

Martin Michaud, vice-president, Tembec

Margaret Penasse-Mayer, chief, Nipissing First Nation

Tim West, manager, external relations for Ontario Federation of Snowmobile Clubs and president, Playland Special Events and Marketing

Introduction

Northeastern Ontario has a wealth of untapped potential for future generations. A skilled, bilingual workforce, quality infrastructure and an abundance of natural resources all contribute to a strong foundation on which to build.

However, a declining population is a reality in this part of the province. Northeastern Ontario's population fell by 4.4 per cent from 1996 to 2001. What's more, youth out-migration means the average age of the population here has increased faster than the provincial average.

The Minister of Municipal Affairs and Housing recognized that the residents of northeastern Ontario are the people who can best plan for growth in their own zone. So, in April 2002, he appointed the northeastern Ontario Smart Growth panel — a group of leaders from industry, educational institutions, First Nations, community organizations and the municipal sector — to develop recommendations for bringing increased prosperity and growth to northeastern Ontario.

After almost a year of meeting and building consensus, the panel presented its interim Letter of Advice to the government on March 4, 2003. Before presenting its final report to the government, the panel held a series of focus groups and public consultations to seek input and build suport for a long-term growth strategy. Feedback received during these sessions was incorporated into this final report. The release of this report is an important achievement for the panel in fulfilling its mandate.

Northeastern Ontario Smart Growth Panel mission statement

The panel created this mission statement to guide its work:

The northeastern Ontario Smart Growth panel will make an important contribution to the development of a Smart Growth strategy and will make specific recommendations to the government regarding the critical need for more growth in the zone and for preserving the quality of life and natural splendour of northeastern Ontario.

Everyone has an interest in Smart Growth

It is expected that more than 15 million people will live in Ontario in 2035. That's almost four million more than in 2001. The Ontario government wants all regions of the province to benefit from that growth. That means urban, rural and remote communities across Ontario.

Smart Growth is the government's vision for promoting and planning for growth in ways that create strong economies, build vibrant communities and promote clean, healthy environments.

The Smart Growth approach

Builds consensus:
At its core, Smart Growth is about building consensus and creating partnerships. That's because growth issues cross municipal boundaries and government jurisdictions: they encompass such areas as transportation, infrastructure and land use; and they affect stakeholders differently. To get everyone working toward the same goals requires building consensus among key stakeholders, integrating decision-making within and among governments and gaining broad public support.

Promotes and manages growth:
Smart Growth welcomes growth for its ability to generate new businesses, jobs and the revenue necessary to support the services we value. As much as it welcomes growth, this initiative recognizes that growth must be managed to protect the environment and ensure residents a high quality of life.

Looks at the big picture:
Smart Growth asks us to take a longer-term view in planning for growth. It calls for being more strategic about where public money is spent. In other words, Smart Growth is a plan for further improving quality of life across the province but for doing so strategically and in ways that are right for each zone.

For more information and examples of Smart Growth initiatives, visit **www.smartgrowth.gov.on.ca.**

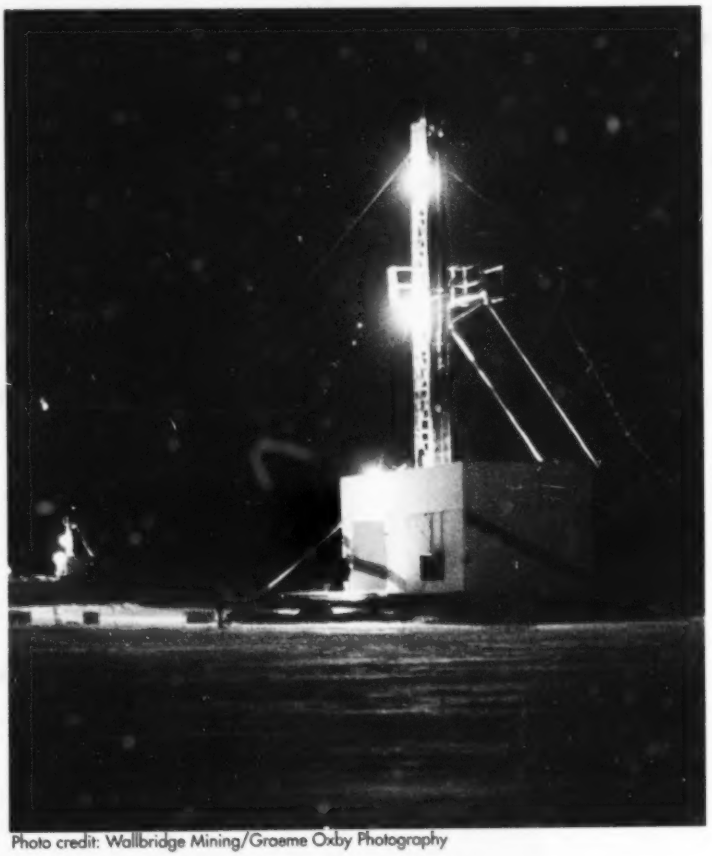
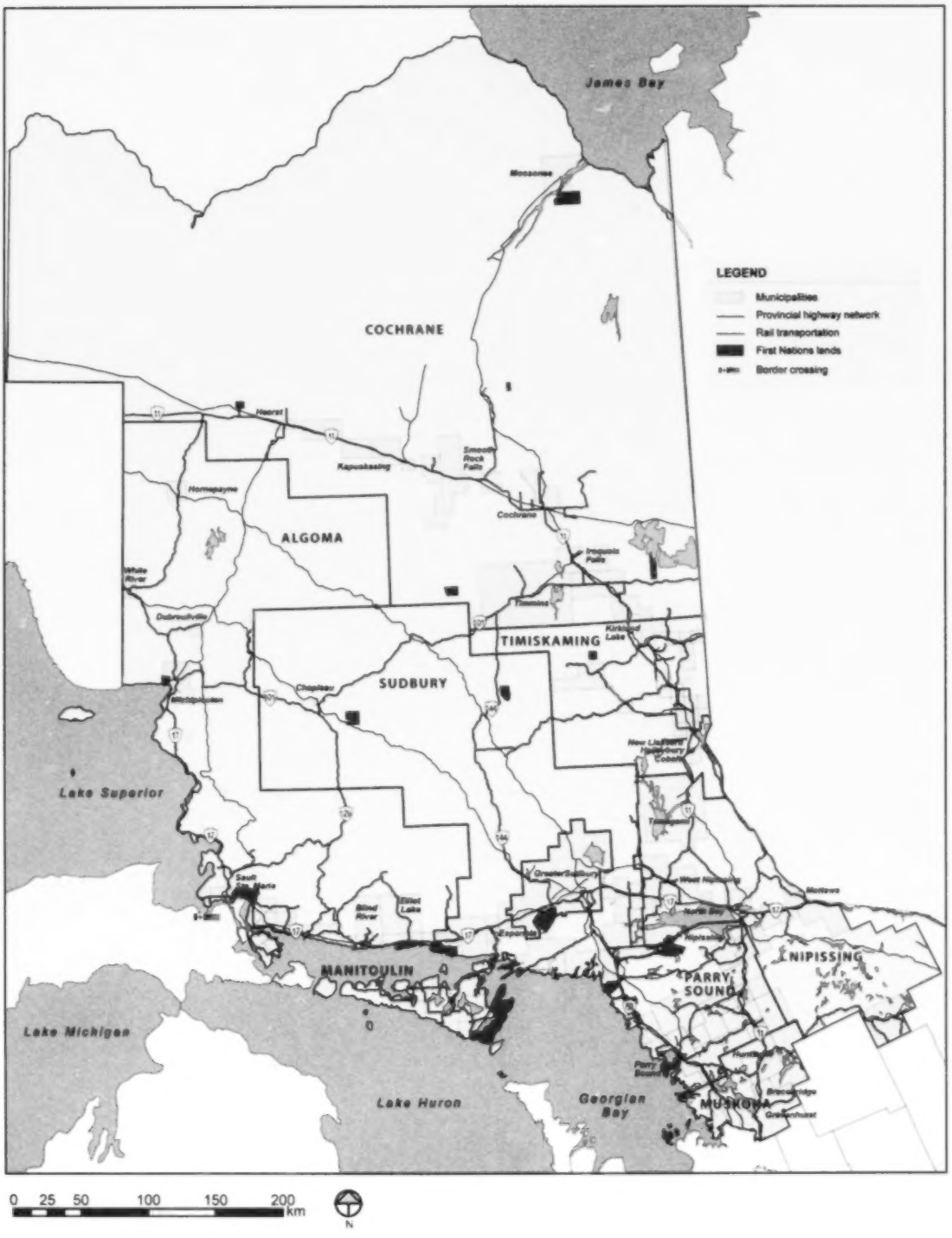


Photo credit: Wallbridge Mining/Graeme Oxby Photography

Northeastern Ontario Smart Growth Zone



Smart Growth across northern Ontario

Members of the northeastern Ontario Smart Growth panel applaud the government for creating separate Smart Growth panels for northeastern and northwestern Ontario – because in addition to the many opportunities and challenges the two regions share, there are also important differences.

A good example of these differences is the presence of a sizable francophone and bilingual population in the northeast that allows communities to compete for provincial or national call centres requiring bilingual operators – especially the most desirable call centres in fields such as health care and technical support that offer higher salaries and wages.

What Smart Growth can offer northeastern Ontario

Panel members agree the key to a brighter future for northeastern Ontario is more growth – growth in population, growth in educational opportunity, growth in economic activity, and growth in household income.

Not long ago, northern Ontario offered great opportunities for both long-time and new Canadians to build better futures for themselves and their families. That's why panel members and other participants in this Smart Growth process have gladly given their time and effort so that opportunity can once again become the hallmark of northeastern Ontario.

The panel believes that Smart Growth presents a unique opportunity for residents and their governments to co-operatively build a better future for this region and consequently for the province.

Panel members recognize that growth will come both from building on the traditional strengths of the region as well as exploring new areas of economic potential. Rather than lamenting what the region does not have or does not currently do, the panel feels strongly that leaders should focus their attention on what the northeast already has and on what the region already does well. This means that building on the region's major resource sectors – mining, forestry, tourism and agriculture – will be a key to promoting Smart Growth.

Panel members also recognize that there are a number of creative initiatives that currently focus on opportunities for diversifying the economy. For example, building on the recent announcement, the Northern Ontario Medical School implementation management committee is involved in a pan-northern Ontario initiative to develop a long term strategy and business plan for creating a health research industry in northern Ontario.

To make all this happen, forward-thinking leaders from key sectors in the North have been brought together to form the northeastern Ontario Smart Growth panel. These key sectors include municipalities; business; First Nation communities; post-secondary institutions; and forestry, tourism, mining and community groups. In addition to building upon earlier Smart Growth consultations, the panel has also heard directly from a number of key individuals and organizations working to address the challenges and opportunities confronting this region.

The panel believes that Smart Growth's chances for success come mostly from a consultative and consensus-building process that involves stakeholders from local communities. Working together presents the opportunity to balance environmental, economic and social goals, and to build a consensus about how the northeast should move forward. The province has committed to creating a strategy for growth based on the panel's advice and to use the panel's recommendations as the basis for provincial decisions about growth.

Smart Growth themes in northeastern Ontario

The panel developed four Smart Growth "themes" to structure its discussion of "action items" and specific recommendations to the government. By focusing the panel's discussion on key themes, a more comprehensive approach to Smart Growth could be adopted and true progress over time will be more easily measured.

The four themes are:

- **Planning, building and investing strategically** so that the government can work with communities to foster an investment climate that encourages job creation, and provides the infrastructure necessary for growth to occur over the long term.

  For example, the government could create a better investment climate by improving the process for disposing of and developing Crown land. The government should also invest more in strategic transportation infrastructure, such as highways.

- **Attracting and developing talent to foster a culture of entrepreneurship and innovation,** and to create a better match between the skills in demand and what is being offered through training, apprenticeship and the region's colleges and universities.

  These objectives could be achieved by increasing targeted funding to colleges and universities for new programs relevant to Smart Growth, such as applied degrees in health sciences and post-graduate studies, as well as for northern applied research and product development (this could include funding for rural and northern health-related research and development).

- **Fostering a strong and competitive business climate** that both builds on traditional resource-based activities and cultivates new initiatives to create a more diverse regional economy. The panel recognizes that northeastern Ontario possesses enormous potential for new initiatives such as value-added manufacturing that is based on the region's natural resources as well as other kinds of new businesses such as biotechnology, environmental reclamation and telecommunications.

  For example, the government is asked to formally designate northeastern Ontario as a region of excellence for mining, which would demonstrate the government's support for increased mining activity and further strategic development of the many mining-related industries already in this region. The panel recognizes that the government's recent step in establishing a northern Ontario Tax Incentive Zone will encourage investment in industries that already thrive in the region, such as forestry, mining, tourism and environmental industries.

- **Marketing the region better** to industry, commerce, students, tourists and potential new residents. Northeastern Ontario has much to offer and a good story to tell, but a more focused and aggressive campaign is needed to ensure that target audiences hear this story and learn about northeastern Ontario's existing and emerging opportunities.

  As an example, an awareness campaign could be launched to tell young people about research opportunities, new niche post-secondary programs, broadband availability, corporate and personal tax incentives (should they be offered) and employment opportunities that exist in the North.

The panel believes that collectively, these four themes provide decision-makers with a useful framework for developing and implementing solutions and measuring success.

Photo credit: Donald H. Davies and Diana Astrid Fernandes

Action Items

The following 12 Action Items identify the important challenges and opportunities that the panel has discussed over the past year. Each Action Item includes several specific recommendations, as well sections on background, relevance to Smart Growth, beneficiaries and cost implications.

Action Item 1

Strategic directions for key business sectors

Advice to Government

The northeastern Ontario Smart Growth panel believes the government can play an important role in ensuring all key economic sectors are achieving their potential.

Growth requires a clear strategy for addressing challenges and opportunities in the mining, forestry, agriculture and tourism sectors based on Smart Growth principles (specific recommendations are discussed in separate Action Items).

The panel believes that support for the businesses in these key sectors can be improved and recommends that the government of Ontario, in partnership with other levels of government and the private sector:

1.1 Establish a regionally focused Grow Bonds North program that would provide local and other interested investors with the opportunity to invest in a revolving capital pool for businesses in northeastern Ontario. The province would play a key role by guaranteeing the principal.

1.2 Develop a strategy to improve access to capital for existing and new businesses.

1.3 Develop a strategy for existing and new business that involves a multi-stakeholder effort led by the Ministry of Northern Development and Mines (MNDM). This strategy should identify what community-based supports are needed for businesses.

1.4 Develop strategic tax incentives.

1.5 Increase research and development funding in areas such as health.

1.6 Develop a "succession planning" strategy and database for small businesses and tradespeople in the North. Succession planning would not only keep some businesses open when an owner moves on, but also provide new opportunities for youth in a community.

1.7 Improve exposure to northeastern Ontario by launching an awareness campaign on what the region has to offer including good jobs.

1.8 Explore opportunities for increased investment in the energy sector in northeastern Ontario, including the development of new generation resources. There is great potential for developing new sources of energy in the northeast.

Background

A key to success for northeastern Ontario is to look for opportunities to take maximum advantage of the potential of the region. This potential includes the zone's rich natural heritage, building on its traditional strengths in the natural resource sectors, and exploring new opportunities.

Taking advantage of this potential requires increasing the capacity for innovation and competitiveness in the region, and working together with a clear strategy for how growth can happen.

An important part of this strategy is to branch out beyond traditional resource harvesting activities to create a more diverse regional economy. This will include aggressively pursuing the diversification of local economies through the creation of more downstream value-added activity in resource sectors, as well as exploring opportunities in sectors such as health research and development, tourism, environmental reclamation, and other growth areas.

In addition to developing clear strategies for these sectors, it is also critical to ensure that businesses can prosper and compete. It is important to recognize that existing businesses and local entrepreneurs are the main source of future prosperity.

The strength of northeastern Ontario's key sectors will ultimately be the result of the success of individual businesses and local economies. For example, most of the value-added operations in the forestry sector are small businesses, as are most tourism operations. Actions are needed to promote the culture and positive climate for the success of entrepreneurs, including working together, improving access to capital and strategic incentives, supporting research and development, providing "one stop shopping" for government programs aimed at business, supporting the development of business plans, removing "red tape" and other barriers, and learning from the experience of companies locating their businesses in the North.

With respect to improving access to capital, the panel strongly supports the concept of a regionally based Grow Bonds North program that would provide local and other interested investors with the opportunity to contribute to a revolving capital pool for businesses in northeastern Ontario. Such a program would help address barriers to growth in the zone and encourage the expansion of existing and new businesses.

One key barrier facing businesses in the northeast is the growing number of unresolved issues relating to how natural resources can be developed on First Nations' traditional use areas. It would be of benefit to all stakeholders to resolve these issues and the panel believes the provincial government could assume a leadership role in consulting with First Nations.

Another key to the success of businesses in the northeast is the availability of reliable, affordable and stable supplies of energy. Ensuring access to affordable supplies of energy is a complex, long-term issue that requires careful planning for the future in order to address the unique characteristics of the northeast.

The panel has heard about the challenges of doing business in northeastern Ontario. The panel believes that it is important that the northeast have a strategy to be competitive with communities at the same latitude that are facing similar challenges, such as in neighbouring areas of Quebec. More could be done to help those looking to start new enterprises and stay competitive, such as coordinating government programs for entrepreneurs, and addressing the barriers that businesses face, such as access to capital and red tape.

Relevance to Smart Growth

The panel recognizes that long-term prosperity for the northeast requires promoting sustainable economic and population growth. Success is dependent on supporting a culture of innovation and competitiveness, as well as building on the strengths of the region, such as the rich natural heritage.

It is necessary to build a consensus and move forward with a clear strategy for the region that builds on existing initiatives and addresses quality of life and the health of the environment. One clear value of Smart Growth is the potential to have a strategy that can be the basis for coordinating existing initiatives, and for collaboration among all orders of government, universities, colleges, industry and other key players in the region.

Beneficiaries

This key issue will benefit the region by focusing on the competitiveness of small and medium-sized businesses, with the broader objective of supporting economic growth and job creation.

Cost Implications

There are potentially some direct expenses associated with the proposed approach, including those linked to guaranteeing the capital invested in the Grow Bonds North program.

Development of additional supports for small business may also involve an expansion of services provided by MNDM, and result in some incremental cost.

Action Item 2

Value-added opportunities in forestry

Advice to Government

The panel believes that governments have an important role to play in promoting Ontario's forestry and forest products industry and in ensuring its continued economic viability.

2.1 The panel strongly encourages all levels of government to work with the forest-products industry to develop a plan for the forestry sector that would have as one of its chief aims the fostering of value-added opportunities. Such a plan could involve strategically co-ordinated actions, such as:

- **focusing on existing forestry and forest products operations to enhance value-added and secondary activities;**
- **better coordination of programs across all three levels of government;**
- **strategic use of tax incentives;**
- **increased research and development funding, including in-depth market research into potential new markets for value-added products;**
- **better co-ordination and funding of apprenticeship and training programs;**
- **priority status for needed transportation and other infrastructure projects;**
- **establishment of a forestry research chair; and**
- **benchmarking Ontario's forestry cluster with other jurisdictions.**

2.2 The panel strongly endorses the work that is already underway in strengthening and promoting Ontario's forestry sector, including the work being done by MNDM on Ontario's forestry cluster, the Ministry of Natural Resource's (MNR) work on a forest sector strategy, the Northern Boreal Initiative, the value-added initiative associated with Ontario's Living Legacy, the work of the Ontario Forest Industries Association and the Ontario Lumberman's Association, as well as a number of forestry-related initiatives at the municipal level.

Background

The vast majority of Ontario's approximately 170 million acres of forest is found in northern Ontario. The North's vast forests represent one of the region's major assets, and an integrated network of competing and co-operating companies, suppliers, service providers and associated institutions has emerged to take advantage of this resource.

Geographic proximity to forest activities is one of the North's primary strengths.

Forestry is one of the major industries and one of the largest employers in the North, generating about 29,000 direct and 36,250 indirect jobs in the region. Sawmills, pulp and paper mills, panel board plants and related woodlands, harvesting, reforestation, tending, and transportation operations provide the economic foundation for many northern communities.

Photo credit: Graeme Oxby

The forestry and forest-products industry is also an important contributor to the provincial economy as a whole. The forest industry contributes over $14 billion to the economy, and accounts for more that 88,000 direct and another 176,000 indirect jobs in more than 40 communities across Ontario. The industry accounts for over seven per cent of total manufacturing employment in the province and over six per cent of manufacturing value-added activity. The industry is also one of only two manufacturing sectors with a positive balance of international trade, the other being the auto industry.

Forestry and related industries have historically been concentrated in northwestern Ontario. According to the Ontario Taskforce on Competitiveness, Productivity and Economic Progress, forest products constitute northwestern Ontario's most important economic cluster.

In addition to benefitting from geographic proximity to the northwest's strong forest products cluster, the northeast is also home to many forestry-related companies and institutions. The Great Lakes Forestry Centre, the Ontario Forest Research Institute, the Forest Pest Management Institute, the Ontario Aviation, Flood and Fire Management Centre, the headquarters for the Ontario Ministry of Natural Resources forest management branch, a Ministry of Natural Resources district office, provincial and municipal fish hatcheries, St. Mary's Paper, Domtar, and several other forest product companies are located in or near Sault Ste Marie. In addition, many of the zone's educational institutions offer forestry-related programs.

As forest-products companies are among the largest consumers of power in Ontario, the competitiveness of this sector is closely tied to energy costs. As such, the availability of reliable and stable supplies of energy is important to the health of the industry.

Relevance to Smart Growth

Commodity-based industries such as forestry are the lifeblood of northern communities, and the panel believes that the shared goal of the public and private sectors ought to be to maintain and strengthen investor and stakeholder confidence in the forestry and forest products industry.

The Smart Growth panel has identified the critical importance of generating increased economic opportunities for the northeast. In order to realize new wealth and opportunities, it will be necessary to aggressively build on the zone's existing strengths and to pursue the diversification of local economies through value-added industries. Smart Growth will come about as a result of continuous improvements in the productivity, competitiveness and innovative capacity of the zone's key economic sectors, such as forestry. The government has already recognized this important Smart Growth initiative by committing to establish a cluster of excellence in forestry and forest products.

Reliance on resource industries such as forestry has historically brought with it the challenges of a boom-and-bust cycle that is beyond the control of those in the zone. International commodities markets for forest products can be extremely volatile, presenting serious challenges for communities that are dependent on this industry.

Consequently, a key to promoting Smart Growth lies in branching out beyond traditional resource harvesting activities to create a more diverse regional economy. This will include aggressively pursuing the diversification of local economies through the creation of more downstream value-added and secondary activities in resource industries.

A good deal of progress has already been made in this regard. Today's forestry industry is competitive, innovative and efficient, and committed to responsible forest management. The forestry industry is remarkably integrated, with a good deal of the value-added processing of fibre taking place in northern communities. Examples of value-added activity include the use of wood chips to make paper, the use of shavings and sawdust to manufacture furniture panels, and the use of bark to produce power at co-generation plants.

There are exciting opportunities to build on the progress that has been made to date, and to foster increased innovation and competitiveness within the forest products industry, including increased value-added production. A continuous commitment to innovation will be vital as the forestry sector works to remain competitive in the face of what is projected to be a diminishing supply of fibre over the next few decades. The industry will have to learn to do more with less, using an aggressive research and development strategy.

There are a number of opportunities for increased efficiency within the forestry sector, including making better use of fibre currently left in the bush. Sustainable forest licences commit companies to utilizing all species of trees within their allotted areas, and forestry operations are relatively efficient. Nevertheless, there are opportunities for even greater efficiencies, such as making use of branches for fuel generation.

Beneficiaries

Fostering increased value-added activity in the forestry and forest-products sector and creating a better climate for innovation will attract skilled people to the zone, generate opportunities for local residents, and create more jobs. It would help attract and retain youth and young families in the zone and enable residents to utilize their education and training in their home communities.

The benefits of such an initiative would be significant and felt in every community in northeastern Ontario.

Cost Implications

The costs and benefits for the development and implementation of a plan to foster value-added activities in the forestry sector will be determined by the specific actions taken. Measures such as establishing a research chair and undertaking the necessary research on value-added opportunities and markets will require significant investments.

Photo credit: Rick Chard

Action Item 3

A region of excellence for mining and mining products & services

Advice to Government

The panel believes that the provincial government plays an important role in strengthening and promoting mining and related industries. It strongly supports the work being done by MNDM on an Ontario mining cluster strategy and recommends that the province, in partnership with other levels of government and the private sector:

3.1 Designate the northeast as a region of excellence for mining and mining products and services.

3.2 Proactively work with the federal government to have northeastern Ontario recognized as Canada's national centre of excellence in mining and mining products and services.

3.3 Build on the designation of the northeast as a region of excellence for mining and mining products and services through strategically co-ordinated actions, such as:

- **better co-ordination of programs across all three orders of government;**
- **strategic use of tax incentives;**
- **increased funding for research and development;**
- **better co-ordination of apprenticeship and training programs;**
- **establishment of a mining research chair;**
- **improved focus on major challenges confronting the industry (e.g., access to the land);**
- **priority status for needed transportation and infrastructure projects; and**
- **benchmarking the zone's mining and related industries with other jurisdictions.**

3.4 The panel recommends that as a first step in strengthening and promoting mining and related industries in the northeast, MNDM convene a forum made up of industry representatives and other key stakeholders to discuss the definition of a "region of excellence for mining" and on the appropriate and desirable roles for government, communities, industry and labour.

Background

Prospecting, exploration, mining and related industries are of critical importance not only to northern communities but to the province as a whole. The majority of mining activity in the province takes place in the North. However, the south also benefits directly from this industry because of the importance of Toronto as an international centre of mining finance and the large number of mining companies headquartered there.

In 2000, mining production, development and exploration accounted for $6.171 billion of economic activity to the Ontario economy with about 18,000 direct jobs and a further 75,000 indirect jobs. And surprisingly to many, all of this activity is conducted in a cumulative area within Ontario proportional to that of a penny on a hockey rink (about 0.01 per cent of the provincial landmass).

Ontario possesses unparalleled geological potential and is considered to be the best jurisdiction in the world for mineral sector investment. Ontario's mining industry is high-tech, innovative and globally competitive. It attracts workers who have had extensive education and training and possess specialized skills.

Ontario's mining industry is also recognized internationally for its environmental practices. This province's mine reclamation legislation, its public policies for dealing with orphaned mines, its commitment to pollution abatement and its environmentally focused consulting industry have positioned its mining industry on the leading edge of environmentally responsible exploration, production and processing of minerals. For example, the City of Elliot Lake has won international awards for mine reclamation.

Although mining and related activities take place in various communities throughout the province, over three-quarters of the persons employed in mining in the province reside in this zone. Not only mining operations, but many of the industry's suppliers of equipment, supplies and services as well as specialized research centres are situated in this zone. For example, northeastern Ontario is home to the Haileybury School of Mines and the Willet Green Miller Centre, the Northern Ontario Centre for Advanced Technology and the Canadian Association of Mining Equipment and Services for Export.

The northeast possesses an extraordinary concentration of mining and related industries – a mining cluster. Such clusters of economic activity provide firms with the opportunity to take advantage of common resources, such as a specialized work force, research centres and specialized suppliers. Clusters allow businesses to compete and collaborate in ways that leave everyone better off and that fuel more rapid economic growth for the region as a whole.

Even in today's increasingly globalized environment, many of the most exciting economic advances take place where clusters, or concentrations, of related businesses and institutions allow people to "rub shoulders," working in close proximity to each other. That is why so many innovative ideas come out of clusters, such as Silicon Valley.

Mining and related industries are also among the largest consumers of power in Ontario. Competitiveness in this industry is closely tied to energy costs, and as a result, the availability of reliable and stable supplies of energy is critical to the health of the industry.

Relevance to Smart Growth

The purpose of formally designating the northeast as a region of excellence for mining and mining products and services is to recognize the strategic importance of the zone's mining cluster and focus the activity of all sectors involved in the mining industry in northeastern Ontario – including government, industry, labour, related businesses and others – on a shared goal that will benefit everyone associated with the mining industry. Such a designation would recognize the interrelationships that already exist among the zone's many mining and mining-related businesses and institutions and affirm the critical importance of mining to the future of this region.

Designating the northeast as a region of excellence for mining and mining products and services and strengthening the zone's mining cluster would build on a number of important initiatives currently underway at various levels of government, the private sector and educational institutions. It would, for example, complement the work being done by MNDM on the Ontario mining cluster strategy as well as the recommendations by the Ontario Taskforce on Competitiveness, Productivity and Economic Progress.

As part of its Innovation Strategy, the federal government has also committed to fostering clusters and increasing support for established commercialization programs that target investments in a number of specific areas, including mining. There are unique opportunities for the province to work with the federal government to have northeastern Ontario recognized as Canada's national centre of excellence in mining and mining products and services.

Photo credit: Graeme Oxby

There are numerous examples around the world that show that implementing a cluster strategy for mining has accelerated economic growth and provided good jobs and a higher standard of living for people. A number of jurisdictions such as Sweden, Australia and South Africa are already pursuing mining cluster strategies in order to position themselves as leaders in this industry.

Beneficiaries

This Action Item would be of tremendous direct benefit to many communities in northeastern Ontario as well as the North more generally. All Ontarians would benefit indirectly, owing to the contribution that mining and related industries make to the province as a whole.

As a result of a mining cluster strategy, mining and related industries would become more globally competitive by producing and exporting value-added products and services. This would have the benefit of ensuring that the northern economy would be less susceptible to the volatility of the world commodities markets. Governments would benefit from being able to efficiently and strategically target funding to support the cluster as a whole.

Without a cluster strategy, Ontario's mining and related industries may not realize their full potential in the global context. As a result, northern communities would continue to experience the challenges of out-migration, ageing population, the development and retention of a skilled workforce, and high unemployment coupled with a vast, sparsely populated geography.

Cost Implications

The initial cost of formally designating northeastern Ontario as a region of excellence for mining and mining products and services would be minimal. The longer-term costs (and benefits) will be determined by the specific actions taken.

Measures such as establishing a research chair and undertaking research on opportunities for the mining cluster will require significant investments.

Action Item 4

Tourism development

Advice to Government

4.1 The northeastern Ontario Smart Growth panel recommends that the provincial government, in partnership with communities in northeastern Ontario, develop and implement a long-term strategy for the tourism industry in northeastern Ontario. This strategy should address the opportunities presented by all segments of the tourism industry, ranging from remote and resource-based tourism to urban, destination-based and cultural tourism.

4.2 Further, the panel believes that such a strategy should identify a clear lead for northeastern tourism within one ministry.

Beyond these primary recommendations, the panel recommends that the provincial government:

4.3 Develop a more comprehensive resource planning process that takes into account industries other than forestry and mining, with input from ministries such as Tourism and Recreation, Environment, Northern Development and Mines, Natural Resources, and Agriculture and Food.

4.4 Lead an effort to improve the ability of small operators to develop quality business plans, with a view to addressing many of the industry's critical financial challenges – particularly the inability of many tourist operators to access the capital necessary to achieve their full potential.

4.5 Ensure that decisions made regarding land use recognize the critical importance of "remoteness" as a specific resource value.

4.6 Recognize the importance of urban-based and destination tourism to northeastern Ontario.

4.7 Create business incentive programs (such as tax incentive zones), like those being suggested for other business sectors (see the "Strategic Directions for Key

Business Sectors" Action Item). These incentives should promote the upgrading and development of more modern and higher quality tourism infrastructure.

4.8 Provide incentives for northern educational institutions to prepare and deliver programs that reflect the needs of business operators, including skills development, health and safety, environmental sustainability and customer relations.

4.9 Undertake to substantially enhance the quality and quantity of the zone's natural resources (such as fish and wildlife populations) to address the sustainability of the tourism sector.

4.10 Direct the Ministry of Tourism and Recreation to work in partnership with the tourism industry to determine the need for an improved voluntary licensing system that meets the needs of the natural resource and outdoor tourism industry in northern Ontario.

4.11 Develop a strategy for multi-use trails throughout the northeast (as discussed under the "Better Use of Infrastructure" Action Item).

4.12 Develop an information database that tracks the economic activity of this sector in northern Ontario (such a database should be a "living" document).

Background

Tourism is an increasingly important economic driver for northern Ontario. The tourism sector has experienced strong growth in recent years, and the North has the potential to substantially increase its share of the global tourism market.

In 2000, tourism was the fourth largest sector in northeastern Ontario, accounting for over 20,000 direct and 17,000 indirect and induced jobs. Over one-quarter of all businesses in the northeast are tourism related, and the Ministry of Tourism and Recreation estimates that visitor expenditures in northeastern Ontario reached $1.3 billion in 2000.

The tourism sector is an important source of opportunity for all communities, large and small, across the region. Average salaries in this sector are not yet as high as those in the zone's other resource sectors, mining and forestry. However, employment opportunities are available both at the management and the frontline level. This is important because, as communities continue to experience job losses associated with the downsizing and closing of mining and forestry operations, they have begun to look to tourism as a key contributor to their economic sustainability.

For example, between 1990 and 1991 the City of Elliot Lake lost approximately 3,900 jobs as a result of mine closures. In 1996, the community's last mine was closed, leaving it without any remaining major industries. Confronted with this challenge to their community's survival, public and private sector representatives came together to come up with an action plan to ensure Elliot Lake's continuing fiscal and social viability. These efforts have succeeded in stabilizing the community and Elliot Lake has managed to build a sustainable economy based on small business, tourism and government services.

In northeastern Ontario, tourism opportunities are currently gravitating to three broad categories: drive-to, semi-remote and remote.

Northeastern Ontario offers many major drive-to tourist attractions, such as the Agawa Canyon and Polar Bear Express tourist trains (departing Sault Ste Marie and Cochrane respectively); Science North and Dynamic Earth in Sudbury; and the Shania Twain Centre and Gold Mine Tour in Timmins.

The northeast also offers many drive-to opportunities to visit and experience the region's remarkable wealth of natural heritage and beauty, such as traveling by car or recreational vehicle to its many provincial parks.

Beyond these drive-to destinations, the region also offers a very impressive array of semi-remote and remote opportunities. In this regard, northeastern Ontario can offer world-class options to the growing number of international tourists who seek both semi-remote and truly remote experiences.

Semi-remote opportunities include canoe trips through Killarney Provincial Park or along the Lady Evelyn Smoothwater Provincial Park. In addition to the many opportunities for backpacking, canoeing, wildlife viewing and backcountry camping, there are also remote experiences offered at the many fly-in fishing camps found throughout the region.

Much of the northeast's tourism sector is based on renewable resources, and the sustainability and value of tourism operations depend on maintaining high resource quality. Nature and recreational outdoor tourism use the same land base as mining and forestry. In order to realize this sector's potential, it will be important to develop comprehensive planning strategies for maximizing the value of the zone's natural resources and land base.

Historically, land-use planning in northeastern Ontario has been driven primarily by the forestry industry, and to a much lesser extent by mining and agriculture. Tourism has generally not been afforded sufficient attention. Moreover, the efforts that have been made over the years to develop an overarching strategic plan for the tourism sector have met with varying degrees of success.

To realize the potential of this sector to the zone's economy, it will be important to improve facilities, services and range of experiences; upgrade local infrastructure, including telecommunications infrastructure (see the "Better Use of Infrastructure" and "Improved Connectivity" Action Items); and embrace overarching resource planning.

Photo credit: Ian Beatty

Factors that are currently limiting growth in the tourism sector include out-of-date product infrastructure, changes to market demographics, limited regional and local infrastructure, poor access to capital, lack of long-term reliability for resource availability and quality, and limited and inconsistent product branding.

Relevance to Smart Growth

Tourism can offer much to each of the three Smart Growth pillars: improving the economy, building strong communities and protecting the natural environment.

Development of an effective tourism strategy for northeastern Ontario will require carefully balancing the Smart Growth pillars. For example, in promoting tourism, it is important to strike the appropriate balance between the objectives of fostering economic opportunity and protecting and enhancing the environment.

The tourism sector is an important source of economic opportunity for the northeast. At the same time, however, "remoteness" and "semi-remoteness" are very important values to the tourism sector and must be afforded appropriate protections in any overarching resource planning process for the zone.

Tourism also provides the financial resources and/or planning necessary for the development of infrastructure that enhances the quality of life for people who live in this region.

Beneficiaries

Improvements to the strategic focus and long-term prospects of the tourism industry will benefit the entire population of northeastern Ontario.

Cost Implications

The costs of implementing these recommendations are difficult to accurately determine in advance and without more specific parameters. It is anticipated, however, that the direct tax revenue benefits to government of a significantly enhanced tourism industry will more than offset these costs.

Action Item 5

Agricultural opportunities

Advice to Government

The panel believes that the agricultural sector makes significant contributions to the economy of northeastern Ontario and that the government should work with all levels of government and the private sector in promoting and strengthening both primary and value-added agricultural activities. Specifically, it recommends that:

5.1 Continued government support at all levels be maintained for agricultural research and development leading to value-added opportunities. In particular, it is critical that the federal and provincial governments continue to support the northern agricultural research stations and programs of the federal and provincial governments.

5.2 The government continue to support infrastructure development, e.g., land improvement (tile drainage), production facility expansion (on-farm) and community processing/marketing facility projects.

5.3 Public/private sector partnerships be established to:

- **promote existing opportunities for increased primary agricultural activities in the northeast through, for example, targeted marketing campaigns to attract new farmers from both within Canada and internationally;**
- **examine and promote the establishment and expansion of value-added activities;**
- **develop incentives to promote agriculture as a viable career and retain/recruit youth to the industry;**
- **address emerging training and support service needs;**
- **promote the importance and achievements of agriculture in northern Ontario; and**
- **address issues relating to access to capital (see the "Strategic Directions for Key Business Sectors" Action Item).**

5.4 Agriculture should be promoted as part of a rural tourism strategy by, for example, establishing a permanent display of technological developments in northern agriculture at tourism facilities such as Science North and developing local "tour" brochures highlighting agriculture/rural sites of interest.

Background

The agricultural sector makes an important contribution to the economy of northeastern Ontario. The zone generates $134 million annually through the agricultural sector with well-established dairy and beef industries and significant growth opportunities in a number of areas, including value-added and primary production and aquaculture.

Spin-off employment in agriculture for the North as a whole is estimated at over 1,600 jobs in 70 food processing businesses, e.g., bakeries, dairies, meat processing plants and bottling plants. Overall, including the agricultural, food processing, food retail and food service sectors, it is estimated that 37,000 people are employed in the northern agriculture and food industry.

Key areas for agriculture in northeastern Ontario include Manitoulin, Temiskaming and West Nipissing-East Sudbury. Agricultural production in this zone is diverse with beef, specialty products (maple syrup, goat, sheep, farm forest products, aquaculture), field crops and dairy as the leading farm types. Dairy and beef account for more than 80 per cent of agricultural activity in northeastern Ontario.

There are significant opportunities for growth within the agricultural sector. For example, aquaculture is one of the largest industries in terms of job creation and retention in the Manitoulin area, yet the industry's growth is not being recognized. The industry produces a premium product with a large market demand. The excess demand is currently being supplied by imported product. Ontario producers can replace the imported product if industry growth is realized.

Photo credit: Donald H. Davies and Diana Astrid Fernandes

Significant investment in and expansion of the agriculture sector has occurred since 1997 as a result of funding from the Northern Ontario Heritage Fund Corporation. The activities of the Heritage Fund have also helped promote a renewed spirit of co-operation and willingness to try new practices and technology among agricultural producers.

Some of the key issues and challenges facing the agricultural sector in northeastern Ontario include:

- barriers to new entrants into farming such as issues relating to the costs of entry (e.g., quota) and access to capital;
- distance to markets and suppliers;
- lack of processing facilities;
- the unique challenges presented by soil and weather conditions;
- the consequences of youth out-migration for future leadership in the agriculture industry; and
- inadequate Internet access (see the "Improved Connectivity" Action Item).

Relevance to Smart Growth

The Smart Growth panel has identified the critical importance of generating increased economic opportunities for the northeast. In order to realize new wealth and opportunities, it will be necessary to aggressively build on the zone's existing strengths and pursue diversification through value-added activities.

A discussion of the issues, challenges and opportunities facing agricultural producers raises a number of crucial Smart Growth themes. These include issues relating to access to capital, Internet connectivity and the importance of collaboration among all levels of government, universities, industry and other actors.

Beneficiaries

Investments in the agricultural sector will benefit the zone as a whole, particularly areas of concentrated agricultural activity such as Manitoulin, Temiskaming and West Nipissing-East Sudbury.

Cost Implications

Costs of implementing this Action Item will depend on the precise actions taken. There is an urgent need to build on the work of the Northern Ontario Heritage Fund Corporation and provide strategic support for research and development and supportive infrastructure.

Action Item 6

Expanded post-secondary education and research

Advice to Government

The northeastern Smart Growth panel believes that the government, in partnership with other levels of government and the private sector, should start implementing a strategy to encourage students to study and establish their careers in the zone. The panel recommends that the province:

6.1 Establish a ten-year personal income tax credit incentive program for students who study in northern Ontario and subsequently work in the North.

6.2 Work on a targeted research and development funding strategy for northeastern Ontario. This should involve the Ministries of Municipal Affairs and Housing (MMAH), Training, Colleges and Universities (MTCU), Enterprise, Opportunity and Innovation (MEOI), Northern Development and Mines (MNDM) and the federal government.

6.3 Establish research chairs in key Smart Growth sectors identified by the panel such as forestry, mining and integrated resource management, including tourism, in northern post-secondary institutions. These research chairs would strengthen the North's natural resource-based economic clusters and promote opportunities for innovation (see also "Value-added Opportunities in Forestry," "A Region of Excellence for Mining and Mining Products & Services," and "Tourism Development" Action Items).

6.4 Proactively support northeastern Ontario post-secondary institutions in establishing a significant number of applied degrees and innovation portfolios that support the Smart Growth strategies in this document as well as other emerging markets such as health science and remote health services, biotechnology, energy management and tourism diversification.

6.5 Provide enhanced funding for education and training institutions to enable them to increase opportunities for apprenticeships, trades and technical training.

Background

Northeastern post-secondary institutions are critically important to regional economic development. In addition to being major employers, they also benefit their communities by keeping and educating local youth near home, providing employers with learning services as required, and support regional innovation through research and commercialization services.

Apprenticeships and skills training programs are also critical to ensuring a skilled and technologically competent workforce and retaining the region's youth. The zone's major economic sectors, including mining and forestry, require highly skilled workers, and it is important to ensure that youth are aware of the exciting opportunities that exist in the skilled trades. It is critical to provide the appropriate learning opportunities for youth both within and outside of First Nations communities.

Public post-secondary education in northeastern Ontario is provided by four universities (Laurentian, Nipissing, Hearst and Algoma) with a combined enrolment in 2001-02 of 7,754 students, and five colleges (Boréal, Cambrian, Canadore, Northern and Sault) with a combined enrolment of 11,343 students.

In 2003, the first students of the new four-year high school program will graduate at the same time as those in the old five-year program. As a result, the Ministry of Training, Colleges and Universities has projected 97,000 additional students enrolled in colleges and universities by 2005-06.

Coincidently, most post-secondary institutions in northeastern Ontario currently have the capacity to accommodate more students, and this creates an immediate opportunity for northern universities and colleges to accommodate "double cohort" students from more populated regions.

Another important opportunity relates to the Ontario Colleges of Applied Arts and Technology Act, 2002 that provides colleges with the opportunity to adapt differently to the educational marketplace. The creation of a new credential, the applied degree, is seen a primary means by which colleges may evolve. Thirty-four pilot applied degrees have been granted to a number of Ontario colleges. To date, none have yet been granted to northeastern Ontario colleges.

It is anticipated that some colleges may be authorized to offer an increased number of applied degrees as part of a government initiative for differentiated colleges.

Beyond their important role as a provider of undergraduate programs and learning services, northeastern Ontario's post-secondary institutions significantly lag behind similar institutions in southern Ontario in providing advanced programming and research initiatives that directly impact regional innovation.

For example, northern Ontario's population is approximately eight per cent of the provincial total, but northern Ontario universities have only two to three per cent of the masters students and less than one per cent of the PhD students studying in Ontario universities (MTCU 2001).

Inevitably, this absence of post-graduate programs and students leads to fewer research initiatives being undertaken in the northeast. Compared to its population, the percentage of research and development funds from provincial and federal sources allocated to northern universities (Ontario Research and Development Challenge Fund, Ontario Innovation Trust, Centres of Excellence, Ministry of Health and Long Term Care, Canada Foundation for Innovation, Industrial Research Assistance Program) is disproportionately lower than allocations to southern Ontario universities.

The new Northern Ontario Medical School may help to begin addressing this imbalance by attracting more graduate and post-graduate students to northern Ontario. The medical school will also have a strong research focus. Health care is more than a critically important public service; it is also a fast-growing industry that generates much economic activity and creates good jobs for highly qualified people both in service delivery and in research and innovation. For example, the Northern Ontario Medical School will serve to stimulate future economic opportunities in many northeastern communities, and will offer a powerful appeal to younger, high-income people to relocate to this region.

Relevance to Smart Growth

The Smart Growth panel has identified that in order to successfully achieve Smart Growth, the northeast will need to attract talented youth. Northeastern Ontario's post-secondary institutions are expected to play a key role in reaching this objective.

Innovation, commercialization and entrepreneurship are fundamental elements to foster and sustain regional economic development. Currently, northeastern post-secondary institutions are not educating a sufficient number of highly qualified people, and they are not playing an adequate role in applied research and commercialization to drive regional economic growth.

Strategic investment is needed now in advanced programming, research and development at northeastern post-secondary institutions to attract young talent and highly qualified personnel. Such investments will then act as a catalyst for innovation and future economic growth.

In addition, the presence of a northeastern differentiated college offering applied degrees would assist northern companies and communities with their development and commercialization initiatives. It would also provide northern students with similar educational choices as those emerging in others parts of the province and accelerate the creation of small and medium-sized enterprises and jobs.

Finally, an immediate strategy to encourage "double cohort" students to study in northeastern Ontario could also help to reduce the registration demands on over-subscribed southern institutions, while at the same time providing economic benefits in accommodating communities.

Beneficiaries

Beneficiaries of this action are students currently attending northeastern Ontario institutions and future students including those affected by the "double cohort."

Increased innovation at northeastern institutions with additional research and development funding – combined with more educational choices offered by northeastern colleges – would benefit both students and local communities.

Industry would also benefit from more highly trained and skilled graduates because, through collaboration and partnership arrangements, many of these graduates would have an education and skill set more tailored toward the needs of local industry.

Cost Implications

The cost of this Action Item is minimal as it focuses on taking advantage of existing opportunities. Cost implications include:

- the cost of a personal income tax credit incentive program (that would be partially off-set by additional income and other economic opportunities generated);
- the cost of a provincial/federal strategy to develop a targeted research and development funding strategy for northeastern Ontario (the actual targeted applied research funds would be a portion of current research funds redirected to northern initiatives); and
- higher operating costs of specialized programs during the initial start-up period until more students choose to study in the North.

Action Item 7

The health research and development industry

Advice to Government

The panel believes that the provincial government, in partnership with other levels of government and the private sector, has an important role to play in fostering the emergence of a world-class health research and development industry in northeastern Ontario.

7.1 It strongly encourages all levels of government to work together with post-secondary institutions throughout northeastern Ontario, as well as the private sector, to promote a competitive health research and development industry, with a focus on rural and northern health issues.

7.2 A plan for promoting a competitive health research and development industry could involve strategically co-ordinated actions, such as:

- **increased research and development funding;**
- **strategic use of tax incentives;**
- **continued support for efforts currently underway to foster a world-class health research and development industry, including those of the Northern Ontario Medical School; and**
- **investment in telecommunications infrastructure required for health-care call centres and telehealth applications.**

Background

The health research and development industry has already taken root in northeast Ontario and the region is home to a number of health-related institutions and programs. In May 2001, the government announced the creation of the Northern Ontario Medical School, based at Laurentian University in Sudbury as well as at Lakehead University in Thunder Bay, which will offer opportunities upon which to build.

In particular, the theme of rural and northern research is now emerging as a Canadian Institutes of Health Research priority. Within Canada, northeastern Ontario represents a future leader in this area of medical research.

Recognizing the importance of research to our future prosperity, the government has committed $1.8 billion to the Ontario Research and Development Challenge Fund and the Ontario Innovation Trust since 1997. Other significant investments and initiatives include the Premier's Research Excellence Awards; the Graduate Scholarships in Science and Technology Program; an extensive system of research and development tax credits; the Ontario Research Performance Fund; the recent renewal of the Ontario Centres of Excellence Program; the establishment of the new Ontario Cancer Research Network; and the launch of a biotechnology strategy, secretariat and task force. In addition, the government spends some $44 million on health-related research and development annually.

Research and development at Canadian hospitals, universities, research institutes and government laboratories by pharmaceutical firms is key to Canada's growing health research industry. For example, annual pharmaceutical expenditures on research and development in Ontario grew by 454 per cent from 1988 to 2000, increasing from $71.5 million to $396.2 million.

Photo credit: Cambrian College

Relevance to Smart Growth

In addition to building on the zone's traditional strengths in natural-resource industries such as mining and forestry, the northeast must identify new opportunities for diversifying its economy. There are exciting opportunities to promote rural and northern-related health research and development in northeastern Ontario.

Reliance on resource industries such as mining and forestry has historically brought with it the challenges of a boom-and-bust cycle that is beyond the control of those in the zone. Consequently, a key to Smart Growth lies in branching out beyond traditional resource harvesting activities to create a more diverse regional economy.

As with other areas of research and development, fostering health research and development would make a positive, direct impact on each of the northeastern Ontario Smart Growth panel's three objectives of population and income growth, youth retention and increased average household income.

The health research industry creates high quality employment for senior scientists, as well as junior scientists, graduates of undergraduate science programs, graduates of related technical programs and support staff. There is an opportunity to position the northeast as a world leader in rural and remote health issues.

Beneficiaries

This initiative will build upon existing strengths in health research and the new strengths being created in the region in the health care industry through the establishment of the Northern Ontario Medical School. It will therefore benefit existing and new research programs in a reciprocal and mutually reinforcing relationship.

Young people will be among the major beneficiaries. They will gain access to high quality, well paying jobs that offer sufficient scope for creativity, innovation, advancement and compensation. This in turn will benefit the northern communities where they live and work, helping to increase property tax assessments, economic activity, new business formation and growth in the strategically important creative class.

Cost Implications

The focus of this Action Item is on taking advantage of existing opportunities. Resources from existing provincial and federal programs will be directed toward investments in northeastern Ontario.

Action Item 8

Crown land disposition

Advice to Government

The northeastern Ontario Smart Growth panel believes the government should visibly revitalize the Crown land disposition process. Specifically the panel recommends that the government:

8.1 Establish a multi-ministry group to make recommendations for improvements to Ontario's Crown land disposition process after consultation with a variety of stakeholders from economic, social, political and academic fields.

8.2 Improve the land-use planning process for Crown lands by improving on, and expanding the coverage of, the Land Use Atlas. The atlas provides details of land-use policies for Crown lands in Ontario.

8.3 Focus initial efforts toward Crown land disposition on land within existing municipal boundaries where there is access to municipal services and where land use controls, such as zoning, are available.

8.4 Develop a screening process to identify broad areas that have potential for development so that developers of Crown lands would then only need to do final studies to identify precisely where development could take place.

8.5 Include economic development as a value to be taken into account when selecting Crown land for disposition.

8.6 Examine the feasibility of releasing more Crown land in remote locations for commercial recreational development and look at providing more security of tenure for existing remote commercial recreational developments now leasing land from the Crown.

8.7 Look at the opportunities presented by the Great Lakes Heritage Coast initiative to pursue disposition of Crown land for eco-lodges.

Photo credit: Donald H. Davies and Diana Astrid Fernandes

Background

In Ontario, 87 per cent of the land base is Crown land. In northeastern Ontario the vast majority of land remains in the hands of the Crown, in contrast to southern Ontario where only a small percentage of the land base is still held by the Crown.

Crown land is still disposed of in Ontario and it remains a policy of the Ministry of Natural Resources to make Crown land available for cottages or camps to either municipalities or the private sector where private land is in short supply. In practice however, little Crown land is being released.

Crown land with potential for development falls into three different categories. First, land within municipalities; second, land adjacent to municipalities in unorganized areas; third, remote sites in unorganized areas for industrial, commercial and commercial-recreational development. The government has recently committed to a review of the disposition of Crown lands.

A useful source of information related to Crown land disposition is in the City of Elliot Lake where approximately 400 seasonal residential/cottage lots will be created on 11 lakes within the municipality. Private legislation was required to allow the city to establish a commission and to use the

proceeds of the sale of lots for economic development purposes. Many lessons can be learned from this case on how to expedite the disposition process.

Many people in northeastern Ontario have strong views on this subject, and would like to see more land available for the purposes of economic development. For example, there is much desirable waterfront land that could be used for recreational lots, as well as industrial, commercial and recreational-commercial land.

Relevance to Smart Growth

The issue of using Crown land as an economic development tool clearly touches on all three basic principles of Smart Growth: building a strong economy, building strong communities and protecting the environment.

Given the limited amount of private land in the northeast, the northeastern Ontario Smart Growth panel sees the procedural difficulties that currently exist in the Crown land disposition process as a significant barrier to economic development in northeastern Ontario. This barrier is related both to the "quality of life" benefit that cottages/camps and waterfront homes offer to attract and retain people in the North as well as the potential to use Crown land for commercial, recreational commercial and industrial development.

The panel believes that this development can be done properly so that it does not have a negative impact on the quality of the natural environment.

Beneficiaries

This initiative would benefit communities across northeastern Ontario by spurring commercial, industrial and recreational-commercial development and the construction of waterfront cottages, camps and homes and encouraging economic growth. Such growth would be enhanced in situations where the developer is required to extend roads and other infrastructure to service these cottages.

While most northeastern municipalities do not currently levy development charges, they could levy these charges on new development and direct the revenue towards the financing of needed improvements to existing water and sewage systems, and for expanding road and hydro networks into new areas.

The sale of Crown land will generate net revenue for the provincial government, and in addition to the direct proceeds from the sale, the province may also benefit from the expansion and improvement of infrastructure that such development will require.

Cost Implications

It is important that where Crown land is disposed of, the subsequent development take place in a sustainable manner. By working with the Ministries of Natural Resources, Environment, Northern Development and Mines, Tourism and Recreation and Municipal Affairs and Housing during the development of a revitalized Crown land disposition process, steps could be taken to ensure the protection of priorities and values, such as water quality, fisheries and other wildlife.

Enhancement of the Land Use Atlas, now under development, would require additional resources in MNR. Where additional staff resources are hired, these should be located in the North.

Photo credit: Rick Chard

Action Item 9

Better use of infrastructure

Advice to Government

The northeastern Ontario Smart Growth panel recommends that the provincial government work in partnership with communities in the northeast to develop a strategy and key measures to use infrastructure more efficiently to prepare the zone for growth and improve competitiveness.

More specifically, the panel recommends that the government:

9.1 Develop a strategy for making the best use of infrastructure capacity in northeastern Ontario. This could include utilities, transportation, community services and/or serviced land, and an inventory of provincial, federal and other public sector buildings in northeastern Ontario.

9.2 Consider the availability of infrastructure as a criterion for the proposed tax incentive zones.

9.3 Develop a strategy to identify key opportunities for infrastructure investment to leverage future growth and ensure northeastern Ontario is competitive.

9.4 Develop a strategy to ensure that adequate investments are made on an ongoing basis to maintain, improve and expand the existing energy infrastructure in northeastern Ontario so that a reliable and affordable supply of energy will be available in the future. There is great potential for developing new sources of energy in the northeast.

9.5 Identify a lead ministry to develop a comprehensive, strategic plan for the provision of cost-effective corridors in the northeast.

9.6 Conduct a review of the kinds of provincial government jobs potentially suited to being located in the North to aid in provincial decision-making.

Background

There are opportunities for northeastern Ontario communities to make better use of existing infrastructure and provide new infrastructure in order to improve their competitiveness. The availability of infrastructure increases the attractiveness of communities to new business investment and jobs. The government should also capitalize on these opportunities to think about which public sector jobs could be productively located in the North.

Many communities in northeastern Ontario have existing infrastructure capacity – such as buildings, roads, water and sewage capacity – that is not being fully utilized, but could be used to accommodate new growth. Communities need reliable information on existing infrastructure capacity, and opportunities to take advantage of that capacity. For example, there are opportunities to better utilize public sector buildings in the North that are not at full capacity or are vacant.

Where there is excess capacity in government buildings, there is an opportunity for the government to locate more provincial public service jobs in these buildings in the northeast. Some jobs are directly related to northern issues and should be filled by people knowledgeable about the North and located in the North. Other jobs can be done anywhere that high-quality communications infrastructure exists, and the government should consider locating more of these in the North.

It is also critical to ensure that adequate and ongoing investments are made in the maintenance of energy infrastructure throughout northeastern Ontario in order to ensure the availability of reliable, affordable and stable supplies of electricity.

Trails provide another important piece of infrastructure in northeastern Ontario, and the widespread desire to develop a network of multi-use trails throughout the northeast is an excellent opportunity for better strategic planning. The panel believes that planning for these trails should be included in the government's planning process for Crown lands.

Shared-use recreational trails are important because they attract tourism and contribute to economic development. Developing trails that meet the needs of a variety of user groups is not only economically efficient, but would also minimize land consumption and have significant environmental benefits.

Another important issue in trail development is determining who is responsible for the initial cost of building the trails and the ongoing maintenance of those trails. The panel recognizes and appreciates the significant investments already made by the government in snowmobile trails. The panel feels that the government should continue to play a significant role in this regard, and should take the lead in developing a provincial trails strategy.

Relevance to Smart Growth

Future competitiveness in the North relies on continuing efficient utilization and development and renewal of the regional infrastructure, including roads, utilities and telecommunications.

Smart Growth strategies have been proposed as a vision for strategic use of infrastructure in order to ensure the investment is used as efficiently as possible, and help focus spending on those areas which will help to prepare the zone for growth and improve competitiveness.

Beneficiaries

This initiative would have economic and non-economic benefits for both northeastern and southern Ontario.

In the northeast, it would create economic opportunities for young families to stay closer to home, and would assist municipal governments in meeting the challenge of maintaining and improving existing infrastructure (some of which must meet new and higher standards).

It would also create opportunities to make better use of existing buildings that are being underutilized by identifying the kinds of public sector jobs that are not location sensitive or are best suited to being done in the North. In other words, where there are new clusters of government activities, these could be located

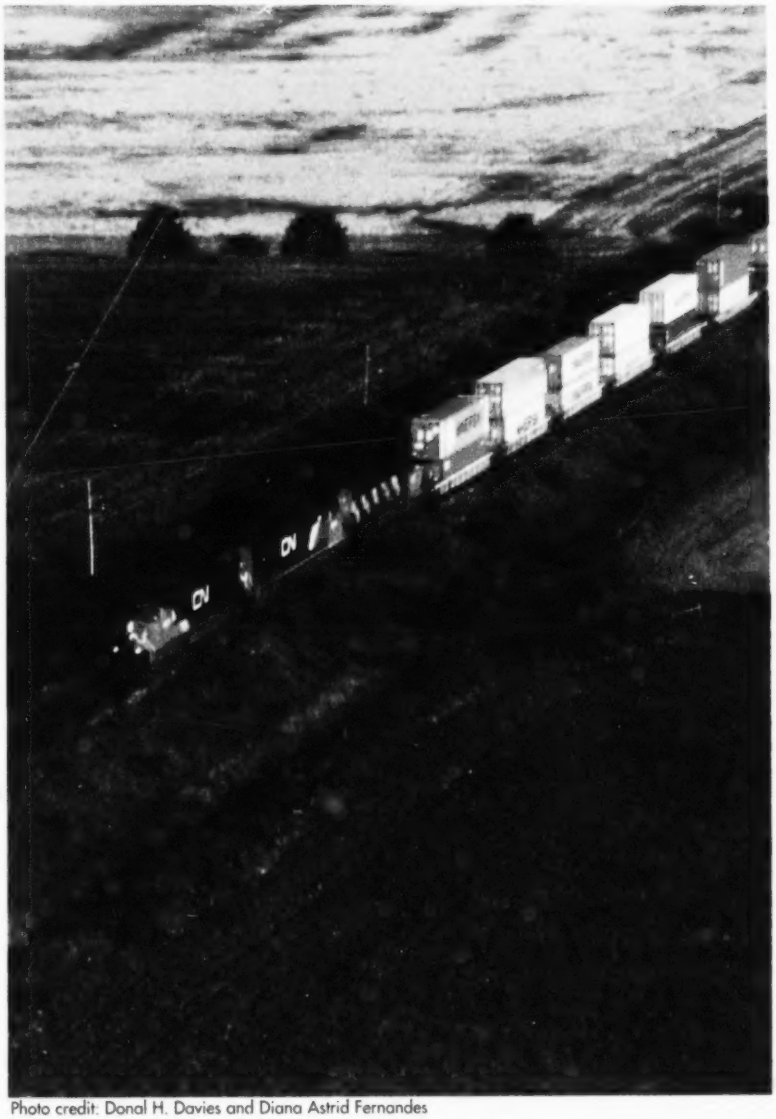


Photo credit: Donal H. Davies and Diana Astrid Fernandes

in the North. An additional benefit from this relocation of more senior managers (including Deputy Ministers and Assistant Deputy Ministers) to the North would be the inevitable increase in sensitivity within the public service to northern concerns and realities.

Cost Implications

In the short run, the cost of compiling a database of public sector buildings and a review of government jobs suited to northern locations would be minimal. In the long run, the ultimate costs could only be determined once more specific options are on the table.

Action Item 10

Transportation

Advice to Government

10.1 The northeastern Ontario Smart Growth panel recommends that the provincial government take the lead in developing a long-term strategic transportation plan for northeastern Ontario.

Specifically regarding highways, the panel recommends:

10.2 Completing the four-laning on Highway 11 from Huntsville to North Bay.

10.3 Completing the four-laning of Highway 69 to Sudbury within the recently promised 10-year timeframe.

10.4 Announcing the intention to totally reconstruct Highway 144 (from Sudbury to Timmins), and add it to MTO's 10-year plan (from the 20-year plan).

10.5 Continuing the program to increase the frequency and length of passing lanes on Highway 11 north of North Bay.

10.6 Continuing to improve Trans-Canada Highway 17.

10.7 The government be more pro-active in pursuing federal funding partnerships through a variety of programs, such as the Strategic Highways Improvement Program, the Canada Strategic Infrastructure Fund, and other federal infrastructure capital funding programs.

10.8 In addition the panel recommends that a comprehensive review of regional and local airport service in northeastern Ontario be undertaken with a view to stabilizing these services. One outcome of this review should be the establishment of acceptable standards of proximity for communities to both operating airports and scheduled passenger services.

Background

Northeastern Ontario is served by many modes of transportation, including highways and roads, railways, major waterways and a network of airports.

The primary elements in this transportation network are the Trans-Canada and other regional highways. Highway 11 serves many communities from Muskoka via North Bay to Hearst, and Highway 17 provides an east-west link through North Bay, Sudbury and Sault Ste Marie. Construction and maintenance of these highways is relatively expensive due to the long distances, harsh climate, sparse population and difficult terrain found in this region.

Railway companies provide freight service to communities across northeastern Ontario. This service is critical to many industries in the region, and expansion of it offers the potential to reduce traffic loads on regional highways. The railways that provide freight service in northeastern Ontario include the (formerly CP) short lines operators that connect Ottawa to North Bay, Sudbury, Sault Ste Marie and along the north shore of Lake Superior; the main east-west CN line that runs from Toronto via Parry Sound and Sudbury; the CN line from Toronto to North Bay; the Ontario Northland that parallels Highway 11 from North Bay to Hearst via Cochrane; Ontario Northland spurs into Timmins and Kirkland Lake (and into Quebec); the Algoma line from Sault Ste Marie to Hearst; and the Ontario Northland's link from Cochrane to the tidewater at Moosonee.

Northeastern Ontario enjoys access to salt water via the St Lawrence Seaway connecting Sault Ste Marie and several other communities to the Atlantic Ocean, and from Moosonee north along the James Bay and Hudson Bay coasts.

An extensive network of airports also provides an important transportation link for northeastern Ontario. There are regional airports in Sault Ste Marie, Sudbury, North Bay, Timmins and Moosonee – and local airports in more than a dozen other communities (many of which do not currently have scheduled service).

Over the past few years, the provincial government has made major investments in northeastern Ontario's highways, including the ongoing four-laning of Highway 11 south of North Bay, and Highway 69 south of Parry Sound. Recently, Premier Eves renewed the government's commitment to completing the four-laning of Highway 69 to Sudbury within 10 years.

Given the growing importance of Sudbury as a regional health services centre, the importance of several highways (e.g., Highways 144 and 6) into Sudbury is increasingly evident.

On several occasions in the past year, various officials within the federal government have mused about increasing the level of federal funding available to the provinces to improve Canada's national highway network.

Relevance to Smart Growth

The northeastern Ontario Smart Growth panel believes that access to reliable, safe and affordable transportation links is essential to create opportunities for economic and community development, and for establishing and maintaining a high quality of life.

The panel also believes that proximity to an airport and to scheduled air service can easily be viewed as a key to Smart Growth in the region. To build strong communities and attract new residents, proximity to an operating airport is necessary for timely access to important public services such as health care. To build a strong local economy and create jobs, air service is often a requirement for attracting new economic opportunities.

Beneficiaries

This plan would benefit every community in northeastern Ontario, and would be of particular interest to the tourism industry.

The panel believes that high-quality highway access is critical to creating economic opportunity, and that decisions to improve the calibre of the highways should not be made on the basis of current traffic volume alone.

Cost Implications

To be determined.

Action Item 11

Improved connectivity

Advice for Government

The northeastern Ontario Smart Growth panel believes that the Ontario government should continue to play a leadership role in bringing key players together to promote affordable connectivity, including broadband connectivity service and cell-phone coverage that allows the northeast, including aboriginal communities, to overcome the challenges of distance. To this end the panel recommends that the province:

11.1 Ensure that broadband access is widely available across northeastern Ontario in approximately the next three years.

11.2 Continue its support for community-based partnerships that include the private sector, community-based networks and the federal government where the provision of access is uneconomic for the private sector alone. Program design must continue to allow for the emergence of unique, locally based solutions.

11.3 Shift the focus of Contact North from video conferencing to computer conferencing as part of its commitment to broadband. This would recognize the critical role broadband plays in distance learning.

11.4 Undertake to support a significant community development and awareness campaign to form local partnerships and encourage the success of existing and potential locally based solutions that are capable of providing good quality broadband access.

Background

In the 21st century, access to high-speed Internet will be considered a basic requirement for providing social and health services, for participating in the digital economy, and for a community to be economically competitive and capable of sustaining a culture of innovation. The Internet holds the promise of minimizing

the barriers posed by distance, and northeastern Ontario stands to benefit greatly from this opportunity. As such, provision of broadband is being viewed as part of the essential community infrastructure.

In most areas of the North, access to the Internet is available at slower speeds through dial-up services. However, the real potential of the Internet can only be realized through high-speed connections that allow for the provision of public services, such as distance learning, and for electronic commerce – by creating the opportunity to connect with potential customers, suppliers and industry associations.

With the existence of these types of high-speed connections, there is the potential to create new jobs. For example, in Sault Ste Marie and North Bay call centres have been established as a result of the availability of high-speed connections.

Regarding the provision of critical health-care services, the panel notes that success of the decentralized delivery model planned for the Northern Ontario Medical School, and the general cost-effectiveness of the health-care industry in northern Ontario, will increasingly depend on the availability of high-speed broadband service to communities all across this region.

In many communities in northeastern Ontario, regionally based networks have already been developed as a grassroots response to the need for affordable access to the Internet. However, the need for continual improvement of community networks in order to meet speed and bandwidth demands of providers and consumers of Internet services poses ongoing challenges. Distance and low population density have also contributed to the challenge of the private sector meeting this need on its own.

The Ontario government has been actively involved in recent years in expanding broadband in rural and northern areas where there are connectivity gaps. These gaps have been addressed through public-private partnerships and other community-based solutions. The province has also established standards for the provision of broadband connection to provincial government offices and core public sector institutions. Many communities have responded by developing business plans, but often have not been successful in working with the federal and provincial governments to obtain the funding necessary for implementation.

Nonetheless the panel acknowledges and appreciates the investments that have been made through the Northern Ontario Heritage Fund Corporation (NOHFC) and other provincial ministries and agencies. One example is a grant by the NOHFC of $87,550 to the Northern Ontario Communications Network and nine partner municipalities in the regions of Cochrane and Timiskaming to study telecommunications and broadband capabilities in the participating communities. The study will help identify technological requirements for the delivery of such services as telemedicine, distance education and online municipal services.

However, the panel notes that further investment to expand access is still required, and that complementary investments are now required in order to take advantage of what is now possible. For example, there is a need for digital equipment in local hospitals so that patient records (such as x-rays) can be transferred – thereby saving the need to transfer the patients themselves to regional hospitals.

A successful example is the more than $1.3 million provided to the Timmins hospital for the purchase of a new CT scanner, as well as funding for five new nurse practitioners for

the Timmins and Cochrane area. But in many communities, such as the City of Elliot Lake, while broadband service is available, funding is needed to purchase digital instruments and equipment that can be connected to the network.

In addition to broadband connectivity, it is also critical to ensure that communities throughout northeastern Ontario have adequate cell-phone coverage.

Relevance to Smart Growth

The northeastern Ontario Smart Growth panel believes that access to high-speed Internet must be widely available in order for communities in the northeast to be on a level playing field with communities in southern Ontario – both in terms of having access to important public services and for having real economic opportunity.

The Smart Growth initiative provides an ideal forum for bringing together government, industry and community leaders to work together on a shared vision for connectivity in northeastern Ontario. Improving connectivity will require significant co-ordination and partnerships at the community level. Smart Growth relies on communities working together to make it happen.

Beneficiaries

Continued provincial leadership in expanding connectivity will lead to widespread benefits in communities across northeastern Ontario.

Cost Implications

The ongoing costs of improving connectivity in northeastern Ontario will be significant, and a provincial commitment to broadband connectivity will require continual investment by the public and private sectors to establish and upgrade a broadband network.

Action Item 12

Property assessment and municipal revenue

Advice to Government

The northeastern Ontario Smart Growth panel recommends that the government:

12.1 Request the Municipal Property Assessment Corporation (MPAC) to review the basis for its evaluation of industrial and commercial properties in the northeast, including the depreciation and/or obsolescence rates applied to these types of properties.

12.2 Require municipalities to gradually reduce their industrial and commercial tax ratios toward the ranges of fairness in a manner that ensures revenue neutrality for the other property classes within the municipality (i.e., residential taxpayers should not carry the burden).

12.3 Implement a mechanism to allow equitable distribution of existing federal and provincial taxes with municipalities. Existing fuel taxes could provide an appropriate revenue source to be shared with the municipal sector.

12.4 Request that the federal government amend the *Income Tax Act* to increase the capital cost allowance for buildings and structures in northern Ontario to make it equivalent to the allowance for equipment.

Background

Municipalities in northeastern Ontario have experienced dramatic declines in both their population and their industrial and commercial base in recent years. This has been the result of mine closures, population decline as a result of lost jobs and a lack of new industrial and commercial investment. There is little or no assessment growth in northern Ontario municipalities. The panel understands that municipalities are finding it difficult to meet their budgetary needs with existing available property tax revenues.

As a result, the property-tax base of municipalities has been under increasing strain. Fewer industrial and commercial property taxpayers have resulted in the potential for reduced revenues and the consequent increase in taxes for the taxpayers remaining in the municipality.

Property taxes for industrial and commercial properties are particularly high in the northeast. This is partly due to the fact that the tax ratios historically assigned to the industrial and commercial property classes in the northeast tend to be two to five times higher than those applicable to the residential property class.

Another reason for the high commercial and industrial taxes is that as industries close, a similar amount of revenue needs to be collected, placing a heavier burden on taxpayers. Recent legislation requires that, where industrial or commercial tax ratios are higher than the provincially regulated tax ratio thresholds, any tax increases must be borne by the residential class. The panel believes that the residential class already carries a heavy tax burden, which should not be increased.

Finally, there is a problem with the overstatement of current value assessment of industrial and commercial properties, often because of minimal realty sales during the prescribed valuation year. This means the assigned replacement costs are often higher than existing realty markets would dictate. There is also a concern that the depreciation and/or obsolescence rates applied by MPAC are lower than what is really required to reflect the true depreciation that occurs in the northern environment.

The panel also discussed the fact that the capital cost allowance is the same for northern and southern Ontario. The panel felt that, given the harsh climate of the North and other factors affecting structures in the North, there should be some recognition of this through the income tax system. The capital cost allowance allows a business owner to deduct a percentage of the value of his or her buildings and structures from their income, recognizing that these assets depreciate year after year. The panel felt that in the North the depreciation of buildings and structures was more akin to the depreciation of equipment, and this should be reflected in the income tax system.

In light of the tax burden faced by northern Ontario business, the panel considered ways of using the income tax system to provide for a more equitable re-investment of tax revenues in northern Ontario municipalities. For example, existing fuel tax revenues could be re-distributed with a focus on northern Ontario.

Relevance to Smart Growth

An important contribution to making northeastern communities more competitive is to address factors that discourage investment. These factors include high taxes, overvalued industrial and commercial properties, and the potential for a decline in municipal services if there are difficulties raising sufficient revenue to meet the municipal budgetary needs.

Fiscally sustainable municipalities with low taxes for business are essential to attract investment and development, since potential investors are looking for stable, well-run communities.

Beneficiaries

Northeastern Ontario municipalities and their residents would benefit from additional non-property tax revenues, in terms of better services and a more attractive investment climate.

As commercial and industrial taxes decline, there is a strong potential for attracting new commercial and industrial enterprises that would provide jobs and encourage youth to remain close to home.

Cost Implications

If commercial and industrial property valuations fall as a result of an MPAC review, municipalities could be faced with a revenue shortfall and the need to raise additional revenues from the residential property class. Similarly, if commercial and industrial tax ratios are reduced, there will be an impact in the form of higher residential taxes if the municipalities are to maintain current revenue levels from their property tax base.

If provincial and federal fuel tax revenues were shared, there would be an impact on provincial and federal revenues.

Elements for Success

In addition to the themes, Action Items and recommendations identified in this report, the panel also became increasingly aware of several other relevant matters during this process of which the government needs to be aware. These matters are not so much recommendations, as they are critical elements of the reality and context of northern Ontario. As such, the panel wishes to flag them for the reader, and emphasize their importance.

The Government's Relationship with Aboriginal Peoples

The panel feels very strongly – as do many municipal, business, industry, education, labour and community groups – that the provincial government should move quickly to resolve issues impeding economic development opportunities among aboriginal communities, governments and the private sector.

People and companies in northeastern Ontario feel that aboriginal issues are not the exclusive domain and responsibility of the federal government. They feel that the government must be an active partner whenever aboriginal issues are being discussed, negotiated and resolved.

The future of northern Ontario – for aboriginal and non-aboriginal communities alike – is interwoven and neither can move forward without the other.

Sensitizing Decision–Making to Northern Realities

One overarching concern of the panel is that government decision-making processes are not sufficiently sensitive to northern Ontario. This sentiment arises from the recognition that many issues are fundamentally different in the northern context than they are in southern Ontario. (In fact, some northern issues do not even exist in any meaningful way in southern Ontario.) Examples of this include Crown land management and development, resource revenue-sharing agreements with First Nations and long-term stagnation (or even decline) in property values.

While the Ministry of Northern Development and Mines was created to address such concerns, many northerners would like to see the ministry strengthened to serve as a more effective "voice for the North" within the provincial government.

The panel also feels that provincial ministries, including the ministries of Northern Development and Mines, Natural Resources, and Tourism and Recreation should locate more of their senior managers (including some deputy ministers and assistant deputy ministers) and program delivery staff in northern Ontario. The panel believes the location of more ministry staff in the North will improve sensitivity to northern circumstances, and will inevitably lead to policies and programs better matched to the realities of northern Ontario.

The panel also believes the government can view and use the location of government activities as a strategic opportunity to better distribute economic stimulus to parts of the province that require more growth and opportunity. To this end, the panel suggests that the government should undertake an inventory of government operations suitable for relocation to northern communities, with a view to increasing the number of provincial government jobs in northeastern Ontario.

Designating a Smart Growth Champion for Northeastern Ontario

The panel truly believes the government's Smart Growth initiative can, over time, have a profound and positive impact on northeastern Ontario. However, to accomplish its goals, the Smart Growth initiative must maintain its current momentum over the coming years.

Beyond the important role of the Minister of Northern Development and Mines within the provincial government, there is a need for an external "champion" specifically focused on the Smart Growth initiative in northeastern Ontario. The panel suggests such a champion be appointed by the provincial government and report directly to the premier.

The panel feels that now, more than ever, there is a need for an effective champion for

the northeast – and that someone who fully understands northern realities must fill this important role. Northerners need a person to turn to when government decisions create barriers or when potential solutions to challenges – especially those based on Smart Growth principles – are not being seriously considered or pursued by provincial ministries or agencies.

Benchmarks for Achieving the Panel's Objectives

The northeastern Ontario Smart Growth panel has identified the challenge of reversing negative population and income growth as its primary objective and recommends the following benchmarks to measure success.

1. **The panel feels it is critical that the population of northeastern Ontario first be stabilized, and then begin to grow again.**

   The 2001 census shows that during the five-year period between 1996 and 2001, the population of northeastern Ontario dropped from 632,600 to 604,800 – a reduction of more than four per cent in just five years. By comparison, during that same period the population of southern Ontario grew from 9,876,500 to 10,370,200 – an increase of more than six per cent.

   The panel wants to see the population of northeastern Ontario stabilized by the time of the next census, scheduled for 2006. Further, the panel would like to see the region's population increase during the subsequent census period, 2006 to 2011.

2. **The panel feels it is critical that the current ageing trend – where the average age of the population in the northeast is older than the average for Ontario – be stabilized and later equalized.**

   The average age of the northeastern population in the 2001 census was higher in the City of Greater Sudbury and all of the northeastern districts than in the rest of the province. For example, while the provincial average was 37.2 years, it was 41.4 in Algoma, 41.1 in Timiskaming and 38.9 in Sudbury. The panel wants to see these differences narrowed prior to the 2011 census.

3. **The panel feels it is critical that the average household income in northeastern Ontario keep pace with that in the rest of the province.**

   The 2001 census data shows also that the average household income in northeastern Ontario is slipping in relation to the average household income in southern Ontario. This situation seriously compromises the region's ability to permanently attract families and individuals.

   That's why the panel wants to see this trend reversed, so that the gap between the average household income in northeastern Ontario and the rest of the province can be narrowed prior to the 2011 census. Simply put, this will require more job opportunities in northeastern Ontario.

Appendices

Appendix 1: Northeastern Ontario Zone Profile

Population (1999 est.): 641,200

Land area (sq. km): 291,194.8

POPULATION

Population Projections by District or Municipality (in thousands)

	1996	1999	2021	% Change 1999–2021
Algoma	131.4	128.3	125.9	–1.9
Cochrane	95.9	93.6	94.9	–1.4
Manitoulin	12.6	13.0	16.0	23.1
Muskoka	52.0	53.3	72.6	36.2
Nipissing	87.1	84.7	87.9	3.8
Parry Sound	41.1	41.5	46.5	12.0
Gr. Sudbury	168.7	163.5	166.1	1.6
Sudbury District	26.3	25.9	26.6	2.7
Timiskaming	38.8	37.4	36.0	–3.7
NE Ontario Total	**653.9**	**641.2**	**672.5**	**4.9**

Total Projected Population Growth (1999–2021): 29,300

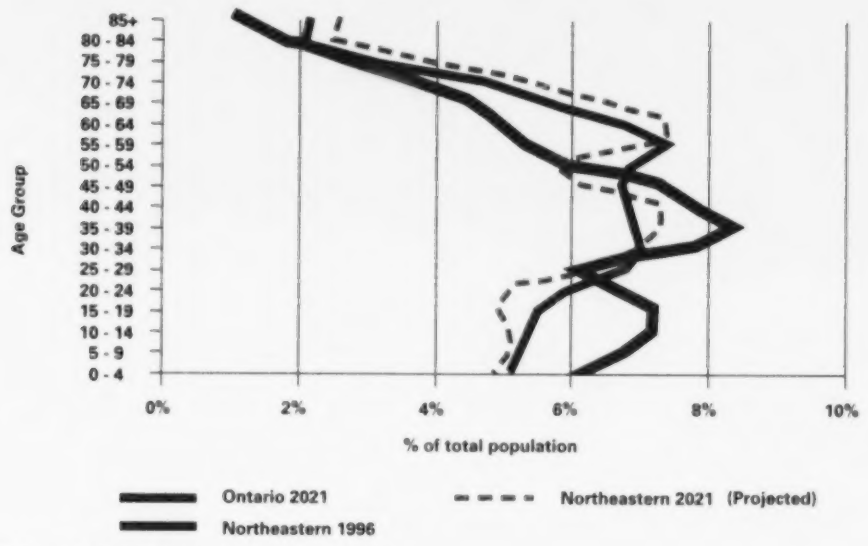
Number of Census Metropolitan Areas (CMA): 1 (Sudbury)

Age profile:

Age Groups	1996 (%)	2021 (%)
0–14	20.5	15.1
15–60	66.7	64.5
65+	13.2	20.4

Source: Ministry of Finance, 2000

Population: Age distribution



Source: Ministry of Finance, 2000

Household Income (1996):

Mean:	$45,500	($54,300 in Ont.)
Median (by municipality, $):		($45,200 in Ont.)
Algoma	37,800	
Cochrane	43,000	
Manitoulin	31,400	
Muskoka	36,100	
Nipissing	36,600	
Parry Sound	31,300	
Sudbury (Greater)	42,200	
Sudbury District	37,300	
Timiskaming	33,400	

Source: Statistics Canada, 1996 Census

Dwelling Types (1996):

Detached House:	68.2%
Semi-detached House:	4.7%
Row House:	3.3%
Apartment Duplex:	5.2%
Apartment (less than 5 storeys):	13.1%
Apartment (more or equal to 5 storeys):	3.9%
Other	1.4%
TOTAL DWELLING UNITS:	**243,095**

Source: Statistics Canada, 1996 Census

2001 Census Population Update:

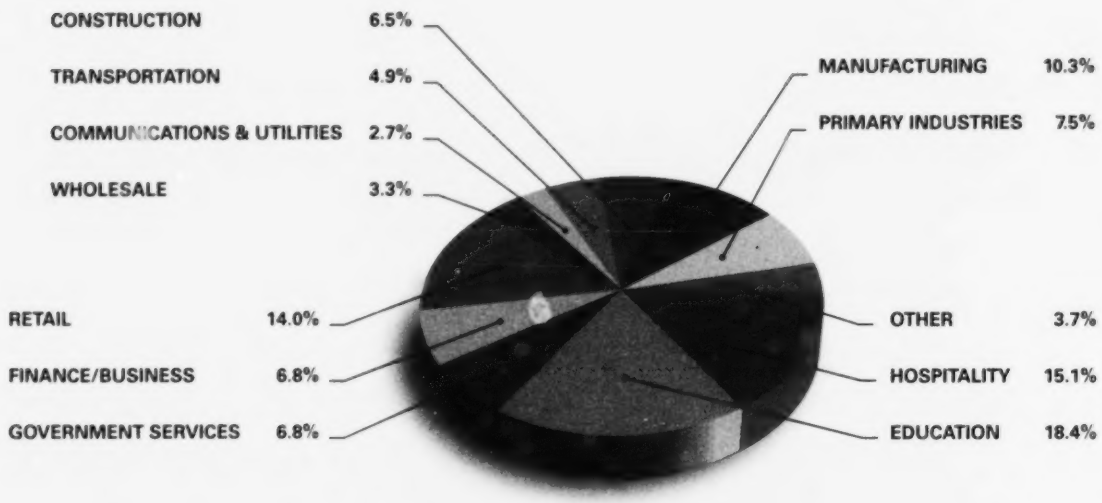
Population by District or Municipality (in thousands)

	1996	2001	Absolute Change 1996–2001	% Change 1996–2001
Algoma	125.5	118.6	- 6.9	- 5.5%
Cochrane	93.2	85.2	- 8.0	- 8.6%
Manitoulin	11.7	12.7	+ 1.0	+ 7.9%
Muskoka	50.5	53.1	+ 2.6	+ 5.2%
Nipissing	84.8	82.9	- 1.9	- 2.3%
Parry Sound	39.9	39.7	- 0.2	- 0.6%
Gr. Sudbury	165.4	155.3	- 10.1	- 6.1%
Sudbury Dist.	23.8	22.9	- 0.9	- 3.9%
Timiskaming	37.8	34.4	- 3.4	- 8.9%
NE Ont. Total	**632.6**	**604.8**	**- 27.8**	**- 4.4%**

Source: Statistics Canada, 2001

Note: 1996 Census Population figures in this table do not correspond to those found in the Population Projection Table on Page 1. This is due to what is commonly referred to as the Census Undercount. In some cases many individuals are not counted in the Census and this can include not receiving a Census questionnaire, not being included in a completed questionnaire, or the individual did not have a usual place of residence on Census Day. In 1996, the Census undercount was on average 2.6%. Census information found in the above table does not include this, while the Ministry of Finance Projections (found on page 1 of the profile) takes the undercount into consideration.

EMPLOYMENT



Total labour force within study area: 302,395

Source: Statistics Canada, 1996 Census

1996 Labour Force:	302,395	
1996 Participation Rate:	60.7%	(66.3% in Ont)
1996 Employment/Population Ratio:		
Algoma	51.0	
Cochrane	55.3	
Manitoulin	52.5	
Muskoka	54.8	
Nipissing	53.3	
Parry Sound	50.3	
Sudbury (Greater)	54.8	
Sudbury District	49.4	
Timiskaming	51.5	
NE Ontario	52.9	
Ontario	60.2	

(Number of jobs available in municipality / district per 100 residential population)

ENVIRONMENT

Number of Conservation Authorities: **4**

Mattagami; Nickel District; North Bay-Mattawa; Sault Ste. Marie.

Source: Conservation Ontario; number of Authorities fully or partially within Zone

Number of Provincial Parks & Conservation Areas: **56**

Source: Ministry of Tourism 1996

TRANSPORTATION

Commercial Traffic by Truck (daily)

	Entering Northeastern Ontario:	Departing From Northeastern Ontario:
Number of Trips:	3,040	3,430
Value of goods:	$59 million	$64 million

Source: MTO, Commercial Vehicle Survey, 1995, adjusted to 2000 estimates. Totals reflect only vehicles traveling the provincial highway system and does not capture all commercial traffic.

Number of Motor Vehicles Registered (1998): 402,405 (Statistics Canada)

Airports with NAV Canada Towers: 2 – Sault Ste Marie, Sudbury

International Border Crossings (vehicular): 1 – Sault Ste Marie

COMMUNITY

Number of Hospitals:	27
Public Beds Staffed and in Operation:	2,246

Source: Ontario Hospital Association, June 2001

Educational Facilities:

Colleges:	5	(Collège Boréal; Cambrian, Canadore, Northern, Sault)
Universities:	4	(Laurentian, Nipissing, Hearst, Algoma)

Source: Ministry of Training, Colleges and Universities

AGRICULTURE

Year	Number of Farms	Gross Farm Receipts $	Area of Census Farm (Acres)
1986	2,952	84,569,550	934,994
1991	2,778	106,270,760	872,505
1996	2,847	120,678,099	879,585
86-96 Chg	–105	+36,108,549	–55,409
86-96% Chg	–3.6%	+42.7%	–5.9 %

Source: OMAF, Statistics Canada

A Snapshot of Northeastern Ontario

Northeastern Ontario is an area richly blessed with spectacular natural heritage and an abundance of natural resources. As a result, it offers a wealth of untapped potential for future generations.

The challenge for the people of northeastern Ontario and their governing bodies is to unlock this potential, so that young people can stay in the North and young families can choose to move or return to northeastern Ontario communities.

Geography

One of the most important characteristics of the northeast is the fact that it borders on four very diverse areas, and distances across the region are huge.

To the west, the zone borders on northwestern Ontario, another region of great distances and extensive resources. To the east, it borders on Quebec with its distinct culture and urban markets. To the south, it borders on southern Ontario with its large population, markets and easy access to the United States. And to its southwest, it also borders on the Great Lakes and directly on the United States at Sault Ste Marie.

Northeastern Ontario encompasses some 291,000 square kilometres – 32% of Ontario's land area. It contains a variety of geographies ranging from Canadian Shield, significant areas of farmland, and tundra in the far north. The zone's natural heritage and resources are major assets that contribute to the area's high quality of life, and are a source of much future potential for this region.

During the recent Lands for Life roundtable process, participants were asked to take a comprehensive view of this region. The outcome of this process – Ontario's Living Legacy – has seen the establishment of a strategy that focuses on the protection and sustainable management of natural resources.

Northerners believe it is also important to focus on economic development. As a result, panel members look forward to moving on to identify and pursue opportunities for economic development and growth, while maintaining the quality and integrity of the environment.

Population

Northeastern Ontario is a sparsely populated area with approximately 604,000 people and a population density of just over 2 people per square kilometre. The majority of these people live in the major regional centres of Sudbury, Sault Ste Marie, North Bay and Timmins.

One of the most striking characteristics of this population is that it has been declining for several decades. Statistics Canada data suggest it has declined by about 4% since 1996. This decline has been a product of multiple factors, and it is important to note that in this regard, northeastern Ontario is like many other hinterland regions in Canada and around the world.

One of the most significant factors behind this population decline is the reduction in workforces required by primary resource industries due to the dramatic increase in the use of technology. For example, Inco and Falconbridge operations in Sudbury currently employ about one-third of the work force they had in the early 70s, but actually extract more ore. In other communities, mines have closed due to a cost structure that no longer fits within the changing economics of a global market (e.g., uranium mines in Elliot Lake), or from the depletion of their primary ore bodies (e.g., iron mines in Temagami).

Another important characteristic of the northeastern population is that it is ageing faster than the provincial or national average. This results mostly from a growing out-migration of youth and young families to southern Ontario, and a lack of in-migration of young people. For some, the attraction to leave the North is the availability of economic opportunity elsewhere. For others, it may simply be the siren song that only big cities can offer young people seeking excitement.

There is one very notable exception to these population trends. In contrast to the demographic decline experienced by many northern communities, First Nations' and Metis populations continue to grow. As a result, these populations are significantly younger than the general population of the zone. In fact, over half the aboriginal population is less than 25 years of age. This means that any discussion about the future of northeastern Ontario must acknowledge the unique characteristics of its aboriginal communities.

Economy

Northeastern Ontario is home to a somewhat diversified economy – ranging from sophisticated wood products industries, to mines and mineral smelters, to fibre optic-based call centres, to resource-based tourism, to significant agricultural producers.

However, relative to other parts of Ontario, the northeast is still heavily reliant on primary resource industries. While reliance on the harvesting of resources is not itself a problem, it does inevitably bring with it the challenges of a boom-and-bust cycle that is entirely out of the control of those in this region. For example, the short-term fortunes of gold mining cities have risen and fallen with the roller coaster of gold prices for many decades.

As a result, further diversification of the northeast's economy and the creation of more downstream value-added activity in resource-based industries has long been an important objective for community and business leaders all across northeastern Ontario.

Even while this diversification is actively pursued, however, it is also critically important to remind people in the northeast and across Ontario that forestry and mining are not sunset industries. They are not activities of the past, but remain key industries and growth generators for the future.

Major Resource Sectors

In order to understand the northeastern economy, it is important to better understand primary drivers – and these are the four major resource-based sectors: mining, forestry, tourism and agriculture.

Mining

Prospecting, exploration, mining and related industries are of critical importance not only to northern communities but to the province as a whole. Ontario's mining industry is high-tech, innovative, and globally competitive, and it attracts workers who have had extensive education and training and have specialized skills.

Mining is a critically important industry in Ontario, and the majority of mining activity in the province takes place in the North. Of the 62 mines in Ontario, 43 are located in northern Ontario.

Mining is an innovative, well-paid and capital-intensive industry. Of the $1.3 billion in income accrued to mining workers in the province in 1999, 85% was earned in northern Ontario, and the average salary was almost $60,000 per year.

Forestry

The vast forests located in the northeast represent one of the region's major assets, and wise management of these lands will be critical to achieving important economic, social and environmental objectives and promoting the sustainable growth of northern communities. Ontario's forests are managed for a wide range of uses, including sustaining jobs and communities and ensuring the long-term health of ecosystems.

A competitive forestry industry is critical to the future of northern communities. Forestry is one of the major industries and one of the largest employers in the North, generating about 29,000 direct and 36,250 indirect jobs. Sawmills, pulp and paper mills, panel board plants and related woodlands, and harvesting, reforestation, tending and transportation operations provide the economic foundation for many communities.

Tourism

In 2000, tourism was the fourth largest sector in the northeastern Ontario economy, accounting for over 20,000 direct and 17,000 indirect and induced jobs. Over one quarter of all businesses in the northeast are tourism-related, and the Ministry of Tourism estimates that visitor expenditures in northeastern Ontario reached $1.3 billion in 2000.

Tourism is an increasingly important economic driver for northern Ontario and an important source of opportunity for all communities – large and small – across the region. The tourism sector has experienced strong growth in recent years, and the North has the potential to substantially increase its share of the global tourism market.

For example, Muskoka and Parry Sound have served as cottage areas for the Greater Toronto Area and beyond for decades, and there is evidence that as Highways 11 and 69 are improved, this activity will move further north. Other communities further north, such as the northern end of Algonquin Park, the Temagami area, Killarney Park, and the Algoma Highlands are important wilderness destinations for more remote tourist experiences.

In addition to the attractions of nature, there are also built tourist attractions, such as the Agawa Canyon Tourist Train, Science North and the Shania Twain Centre. These attractions are also critical links in the tourist network as they have the ability to pull people into the region, thereby creating opportunities for other tourist operations in the proximity.

Agriculture

The agricultural sector makes an important contribution to the economy of this region. Northeastern Ontario enjoys a $134 million a year agricultural sector, with well-established dairy and beef industries and significant growth opportunities in a number of areas, including value-added production, crop production and aquaculture.

Spin-off employment in agriculture in northern Ontario is estimated at over 1,600 in 70 food processing businesses e.g. bakeries, dairies, meat processing plants and bottling plants. Overall, including the agriculture, food processing, food retail and food service sectors, it is estimated that 37,000 people are employed in the northern agriculture and food industry.

Key areas for agriculture in Northeastern Ontario include Manitoulin Island, Temiskaming, and West Nipissing-East Sudbury. Agricultural production in this Zone is diverse with beef, specialty (maple syrup, goat, sheep, farm forest products, aquaculture), field crops and dairy as the leading farm types in terms of farm numbers.

Appendix 2: Summary of Public Consultations

The northeastern Ontario Smart Growth panel conducted focus group discussions and consultations with the public in North Bay on April 2, 2003; in Sudbury on April 3, 2003; in Sault Ste Marie on April 8, 2003 and in Timmins on April 10, 2003. The purpose of the four sessions was to discuss the recommendations and ideas contained in the panel's interim Letter of Advice to the Minister of Municipal Affairs and Housing. Comments and suggestions raised during the focus group discussions and public consultations were taken into consideration as the panel deliberated on its final report.

The response to the interim Letter of Advice at the focus groups and public consultations was extremely positive. Participants agreed that the panel's Action Items identified the priority issues for the northeastern zone. The feedback from participants focused largely on particular details of the panel's specific recommendations. While suggesting modifications and clarifications to the interim Letter of Advice, participants overwhelmingly agreed that the key to moving forward with Smart Growth was for the government to begin to act on the panel's advice quickly.

Participants were strongly supportive of the consultative and consensus-building approach of Smart Growth and appreciated the opportunity to provide feedback on the panel's advice to the government. They expressed concern that important policies and programs are often developed by decision-makers located in southern Ontario, who may not understand the implications of their decisions on northern Ontario. The notion that Smart Growth may be able to improve this situation was well received.

Participants agreed with the panel's focus on fostering and encouraging economic opportunity in the zone. They agreed this would be achieved both by building on the zone's existing strengths in sectors such as forestry, mining, agriculture and tourism, and by exploring new opportunities in areas such as health research and development.

Participants also agreed with the panel's benchmarks for achieving the panel's objectives, especially on attracting and retaining young people in northeastern Ontario.

In terms of specific comments, participants endorsed the notion of grow bonds, and suggested that such a tool would provide an opportunity for people in the region to create a capital pool dedicated to this zone.

With respect to tourism, participants suggested that the panel's advice be broadened to include references to other tourism opportunities, including urban and destination-based opportunities.

A number of participants also felt that the panel's recommendations concerning agriculture should be broadened to include references to the significant economic opportunities for increased primary agricultural activity in the northeast.

The panel's recommendations concerning education and research were well received, and many participants thought that the references to apprenticeship and training in the Letter of Advice could also be strengthened. Participants in some sessions also raised health as an issue the panel might take into further consideration.

Participants agreed that the current process for Crown land disposition is ineffective and that a more transparent land patenting process would open up many new opportunities for economic growth in northeastern Ontario.

A number of participants suggested the Letter of Advice be broadened to include references to the importance of stable and affordable supplies of energy.

Participants commended the government for its continuing commitment to major investments in northeastern highways and encouraged the government to fulfill its commitment to complete the four-laning of Highways 11 and 69 and to upgrade other regional highways. Participants also suggested that the improvement and maintenance of Trans-Canada highway 17 should be specifically referenced and that collaboration among all levels of government is necessary.

Participants in all sessions agreed strongly that access to affordable broadband service was vitally important to the future of the zone. Many participants saw broadband service as necessary for the provision of essential services (such as health care and education), rather than simply an asset to encourage or allow for economic development. Participants suggested that the panel's advice regarding connectivity be broadened to include references to other communications infrastructure such as cell phone coverage.

There was also a good deal of discussion of the need for a "champion" for Smart Growth in northeastern Ontario. Participants noted that many champions —beyond the Minister of Northern Development and Mines — will be required to ensure that Smart Growth becomes a reality.

Appendix 3: Inter-ministerial Support for the Northeastern Panel

Smart Growth Inter-ministerial Committees

The Smart Growth Secretariat, the overall co-ordinating body for Smart Growth within the Ministry of Municipal Affairs and Housing, works closely with partner ministries to co-ordinate and integrate programs, policies and initiatives and to give support to the Smart Growth panels.

Smart Growth partner ministries include

- Ministry of Transportation
- Ministry of Finance
- Ontario SuperBuild Corporation
- Ministry of Northern Development and Mines
- Ministry of Natural Resources
- Ministry of Agriculture and Food
- Ministry of Tourism and Recreation
- Ministry of Culture
- Ministry of Enterprise, Opportunity and Innovation
- Ministry of Training, Colleges and Universities
- Ministry of the Environment

Representatives from other ministries are also involved as needed.

The inter-ministerial structure that has been functioning over the last year to support Smart Growth, and the work of the panels includes a Corporate Steering Committee and five inter-ministerial zone committees (one to support each panel). A major role of the zone committees is to provide data, information, perspectives and advice in support of the panels.

Corporate Steering Committee

The Corporate Steering Committee, which is comprised of directors from key Smart Growth ministries, co-ordinates strategic input into the work of the panels and the government's Smart Growth agenda. The Committee has provided a forum for two-way communication between the Smart Growth Secretariat and members' own ministries, on all aspects of the Smart Growth initiative.

The Inter-ministerial Northeast Zone Committee

The Northeast Zone Committee has been a key resource for the northeastern Ontario Smart Growth panel, providing information, data and feedback to the panel throughout the process of developing their advice to the Minister. Representatives on the committee have also worked closely with the Smart Growth Secretariat to co-ordinate and integrate Smart Growth-related policies and programs.

Northeastern Zone Committee Representatives

Lynn Buckham, (co-chair) regional director, Northeastern Municipal Service Office, Ministry of Municipal Affairs & Housing

Murray Morello, (co-chair) manager, Sudbury and area, Ministry of Northern Development and Mines

Rob Campbell, manager, northern region, Ministry of the Environment

Rob Galloway, regional director, northeast region, Ministry of Natural Resources

John Howe, director, Toronto Waterfront Revitalization Secretariat, Ontario SuperBuild Corporation, Ministry of Finance

Elaine Lynch, manager, northern region, Ministry of Tourism and Recreation/Ministry of Culture

Osmo Ramakko, regional director, northern region, Ministry of Transportation

Arlene Smith, manager, northern region, Ministry of Training, Colleges and Universities

Appendix 4: Northeastern Ontario Smart Growth Panel Members

Royal Poulin, Panel Chair
Chair, Ontario Northland Transportation Commission

Currently the chair of the Ontario Northland Transportation Commission, Royal Poulin was the general manager of the Northern Ontario Heritage Fund Corporation. He formerly worked with the Ministry of Northern Development and Mines as Director of Program Development and the Transportation/Highways program.

Poulin also held positions as general manager of the Ministry of Municipal Affairs office in Sudbury and as senior adviser in the ministry's North Bay office. He has served as director of the Nipissing District Social Services Board and town clerk for the Town of Cache Bay, where he was subsequently elected mayor.

Gord Adams
Chair, District Municipality of Muskoka

Gord Adams is currently serving his third term as chair of the Council of the District Municipality of Muskoka – a position he has held since 1994. Adams was first elected in 1982, serving two terms as town councillor.

Between 1988 and 1994, Adams was mayor of Gravenhurst. He has also served as director of the Association of Municipalities of Ontario, chair of the Muskoka Airport Advisory Committee, commissioner of Gravenhurst Hydro Electric Commission and chair of the District of Muskoka Public Works committee. He is currently a member of the Board of Directors of the Northern Shores District Health Council and the Ontario Good Roads Association.

Jean-Claude (J.C.) Caron
Mayor, Town of Kapuskasing

Jean-Claude Caron was re-elected mayor of the Town of Kapuskasing in November 2000 after having served as a municipal councillor for three years.

Caron is also chairperson of the Kapuskasing Economic Development Team, the Porcupine Health Unit, the Kapuskasing Police Services Board, treasurer of the Association of Local Public Health Agencies, a member of the Northeastern Ontario Municipalities Action Group, the Regional Airport Committee, and the Highway 11 Corridor Municipal Coalition. He is past chair of the Cochrane District Social Services Administration Board.

Other involvements include working with the boards of management of the Business Improvement Area, and North Centennial Manor. He also sits on the Kapuskasing and District Health Care Recruitment and Retention Committee.

Ted Day
Reeve, Township of Nipissing

Ted Day is in his third term as Reeve of Nipissing Township, where he has resided for 20 years.

Day has had a strong tourism background, and has proven his ability to establish working partnerships with government, industry and business. He has worked actively in cooperation with many organizations, including: Ontario Tourism Marketing Partnership, The Northern Ontario Travel Association, Tourism Federation of Ontario, The Ontario Federation of Snowmobile Clubs, The Canadian Ecology Centre, Canadore College of Applied Arts and Technology, and Tourism Ontario.

Day has been the Executive-Director of the Almaguin-Nipissing Travel Association (Ontario's Near North) for nearly a decade. In that capacity, he represents the area on many other local and provincial boards and committees, which directly or indirectly affect the travel region.

George M. Farkouh
Mayor, City of Elliot Lake

George Farkouh has been Mayor of Elliot Lake since 1988. He began his career in local politics in 1985 as a councillor for Elliot Lake.

Mayor Farkouh is a member of a number of community-based organizations. He has been a member of the board of directors of St. Joseph's General Hospital, vice-chairman of the Algoma-Manitoulin Northern Development Council and a founding member of the board of directors of the Elliot Lake Retirement Living Program and Elliot Lake and North Shore Business Development Corporation. Farkouh has spoken at numerous national and international forums about the story of Elliot Lake, including at the United Nations in New York City.

Farkouh was raised in Elliot Lake. He earned a bachelor of science from the University of Western Ontario, a graduate business diploma from Laurentien University and a MBA from the Ivey School of Business at the University of Western Ontario. He has extensive business experience in corporate banking and teaching college. He currently owns and operates two car dealerships.

Ivan Filion
Executive director, research, technology and advanced learning, Cambrian College

Ivan Filion's background has a strong telecommunications and education focus. He has taught at the university level in computer technology, engineering and environmental studies and, before joining Cambrian, was employed in the Water Resources Branch of the Ministry of the Environment. He also worked with a Manitoba-based consulting engineering firm where he specialized in water resources management.

Filion's current research projects include the protection or restoration of wildlife such as brook trout streams and elk populations, and studying the behaviour of nuisance black bears.

He has authored a significant volume of relevant computer-based software projects and led in the creation of Campus Canada – a consortia of Canadian post-secondary institutions offering university and college-level programs via the Internet.

Jim Gordon
Mayor, City of Greater Sudbury

Jim Gordon, Sudbury's mayor, has been a strong leader in municipal and provincial government for nearly four decades. First elected to Sudbury Council in 1967, he served there almost continuously until being elected mayor in 1976. In 1981, he was elected to the Ontario legislature serving as parliamentary assistant to the Ministers of Community and Social Services, Health and Education, before being appointed Minister of Government Services in 1985. Gordon returned to municipal politics in 1991.

He currently chairs the Sudbury Regional Business Centre, which has created 355 jobs in the last two years. His involvement with medicine and health care continue through his position as chair of the Advisory Committee of the Northern Ontario Medical School; he was also pivotal in the selection of Sudbury as the location for the Northeastern Ontario Regional Cancer Centre.

Ken Graham
Mayor, Town of Iroquois Falls

Ken Graham has been mayor of Iroquois Falls since 1994 and takes an active interest in the community and in forestry. He currently either chairs, or serves on, such committees as the Iroquois Falls Development Team, Iroquois Falls Forestry, and Iroquois Falls.com. Graham is also a director for Northern Ontario Wires, the Anson General Hospital board and president, Northeastern Ontario Municipal Association.

Following a provincial appointment, he currently also serves on the Timber Environmental Assessment committee.

Maureen Kershaw
NE representative, Partnership for Public Lands

Maureen Kershaw is an environmental consultant specializing in sustainable eco-tourism, and ecological inventory and management. Kershaw combines her consulting work with teaching ecology, plant science and conservation biology at Nipissing University.

No stranger to public life, she has acted as the Northeast Ontario representative of the Partnership for Public Lands, which is negotiating the final boundaries of conservation areas designated through the Ontario Living Legacy initiative. She was also associated with the Ministry of the Environment as its NE regional ecologist.

Kershaw's background includes working for Forestry Canada, being a member of the Provincial Forestry Futures Trust Committee and of the Federation of Ontario Naturalists.

Jamie Lim (Mrs.)
Mayor, City of Timmins

City of Timmins Mayor Jamie Lim has served as a city councillor, a school board trustee with the former Timmins Board of Education, and a board member with the Police Services Board. She is also a director of the Federation of Canadian Municipalities and chairperson of its taskforce on the softwood lumber dispute with the United States.

A founding member, and current honorary member, of the Victims Crisis Assistance and Referral Service, Lim is serving her eighth year on the Porcupine Health Unit board.

Scott McDonald
General Manager, Ontario, Inco Ltd.

Scott McDonald is the general manager for Ontario, Canadian Operations at Inco Limited. He has spent most of his career at Inco, working in Sudbury, in St. John's, Newfoundland, on the Voisey's Bay nickel project and in Toronto.

He currently sits on the Board of Governors for Cambrian College and Laurentian University and is actively involved with the Ontario Mining Association. McDonald is an executive member of the Council of Industrial Relations Executives with the Conference Board of Canada. He has held governance and volunteer positions with the Sudbury United Way, the Industrial Trades Center for Women and the Sudbury General Hospital Capital Campaign.

A native of Sudbury, McDonald graduated from Laurentian University with an Honours Bachelor of Commerce degree in 1977.

Betty McGie
President, Northern Ontario Tourist Outfitters' Association

Betty McGie is serving her third term as president of the Northern Ontario Tourist Outfitters' Association. A specialist in tourism, she is CEO of Watson's Algoma Vacations Ltd., a family resource-based tourism business based in Wawa. She was recently involved as tourism representative in negotiations with the forest industry and the Ministry of Natural Resources (MNR) in the Resource Sharing Agreement process.

During the 1980s, McGie represented tourism on the former Algoma Manitoulin Northern Development Council and sat on the Boreal East Round Table representing resource- based tourism in the MNR Lands for Life process.

Previously, she worked with various local and regional committees and was a member for 23 years of the Wawa Chamber of Commerce, where she served two terms as its president.

Martin Michaud
Vice-President, Tembec

Martin Michaud is vice-president, Business Development and Planning for Tembec Forest Products Group based in Timmins, Ontario. His role is to support the company's president in the development and implementation of strategies to support ongoing integration, expansion and cost-efficiencies within the Forest Product Group.

Born in 1954, Michaud graduated from Business Administration and Information Systems at Northern College Porcupine Campus, in Porcupine, Ontario, and was subsequently certified as a Certified Management Accountant (CMA) of Ontario.

In addition to his responsibilities, he is vice-chairman of the board and chairs the Wood Products Manufacturing and Inspection Bureau of the Canadian Lumbermens' Association. Since September, 2000 he has also been the vice-chairman of the Canadian Lumber Standards Accreditation Board.

Margaret Penasse-Mayer
Chief, Nipissing First Nation

Nipissing First Nation Chief Margaret Penasse-Mayer has led her band since 1994. Her extensive background in community and voluntarism includes, among others, working in local children's activities and programs, with the Holy Spirit parish council, and the recreation, housing and police and by-law committees.

First elected a band councillor in 1986, Penasse-Mayer became its deputy chief in 1988. Her past committee work encompasses the Ministry of Northern Development and Mines – Scan North project, area chiefs planning, with the Northern Ontario Heritage Fund Corporation, and with the Canadore College Board of Governors.

Currently she is a co-chair of the Assembly of First Nations Gender Equality Advisory committee – a responsibility she shares with Yukon regional vice-chief Mary Jane Jim.

Tim West
Manager, External Relations, Ontario Federation of Snowmobile Clubs; president, Playland Special Events and Marketing

Tourism, marketing and the recreation industry form the backbone of Tim West's career. He has been involved in the snowmobile industry since 1985 and was previously Parry Sound's recreation director. He also owns and operates Playland Special Events and Marketing – a recreation/tourism consultancy which he founded in 1987.

West serves on the boards of numerous recreation, tourism and volunteer organizations. These include the Parry Sound Area Community Business and Development Centre, Parks Ontario, Tourism Federation of Ontario, the Ministry of Tourism, Recreation and Culture Policy Advisory Committee and the Northern Ontario Tourism Marketing Association. He is a founding member of Marketing Minds for Tourism and Recreation and is active in Parks and Recreation Ontario.

Appendix 5: Municipalities in the northeastern Smart Growth zone

Armour, Township of

Armstrong, Township of

Assiginack, Township of

Baldwin, Township of

Barrie Island, Township of

Billings, Township of

Black River-Matheson, Township of

Blind River, Town of

Bonfield, Township of

Bracebridge, Town of

Brethour, Township of

Bruce Mines, Town of

Burk's Falls, Village of

Burpee and Mills, Township of

Calvin, Township of

Carling, Township of

Casey, Township of

Central Manitoulin, Township of

Chamberlain, Township of

Chapleau, Township of

Charlton and Dack, Municipality of

Chisholm, Township of

Cobalt, Town of

Cochrane, Town of

Cockburn Island, Township of

Coleman, Township of

Dubreuilville, Township of

Dymond, Township of

East Ferris, Township of

Elliot Lake, City of

Englehart, Town of

Espanola, Town of

Evantural, Township of

Fauquier-Strickland, Township of

French River, Municipality of

Gauthier, Township of

Georgian Bay, Township of

Gordon, Township of

Gore Bay, Town of

Gravenhurst, Town of

Greater Sudbury, City of

Haileybury, Town of

Harley, Township of

Harris, Township of

Hearst, Town of

Hilliard, Township of

Hilton, Township

Hilton Beach, Village of

Himsworth North, Township of

Hornpayne, Township of

Hudson, Township of

Huntsville, Town of

Huron Shores, Municipality of

Iroquois Falls, Town of

James, Township of

Jocelyn, Township of

Johnson, Township of

Joly, Township of

Kapuskasing, Town of

Kearney, Town of

Kearns, Township of

Killarney, Municipality of

Kirkland Lake, Town of

Laird, Township of

Lake of Bays, Township of

Larder Lakes, Township of

Latchford, Town of

MacDonald, Meredith and Aberdeen Additional, Township of

Machar, Township of

Magnetawan, Municipality of

Markstay-Warren, Municipality of

Matachewan, Township of

Mattawa, Town of

Mattawan, Township of

Mattice-Val Cote, Township of

McDougall, Township of

McGarry, Township of

McKellar, Township of

McMurrich/Monteith, Township of

Michipicoten, Township of

Moonbeam, Township of

Moosonee, Town of

Muskoka, District Municipality of

Muskoka Lakes, Township of

Nairn and Hyman, Township of

New Liskeard, Town of

Nipissing, Township of

North Bay, City of

Northeastern Manitoulin and The Islands, Town of

Opasatika, Township of

Papineau-Cameron, Township of

Parry Sound, Town of

Perry, Township of

Plummer Additional, Township of

Powassan, Municipality of

Prince, Township of

Ryerson, Township of

Sables-Spanish Rivers, Township of

Sault Ste Marie, City of

Seguin, Township of

Shedden, Township of

Smooth Rock Falls, Town of

South Algonquin, Township of

South River, Village of

St. Charles, Municipality of

St. Joseph, Township of

Strong, Township of

Sundridge, Village of

Tarbutt & Tarbutt Additional, Township of

Tehkummah, Township of

Temagami, Municipality of

The Achipelago, Township of

The North Shore, Township of

Thessalon, Town of

Thornloe, Village of

Timmins, City of

Val Rita-Harty, Township of

West Nipissing, Municipality of

White River, Township of

Whitestone, Municipality of

Chair Royal Poulin
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